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January/February 1976

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# International Perspectives

journal of opinion on world affairs

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venture into public diplomacy

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anatomy of Lebanese crisis

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UN's seventh special session

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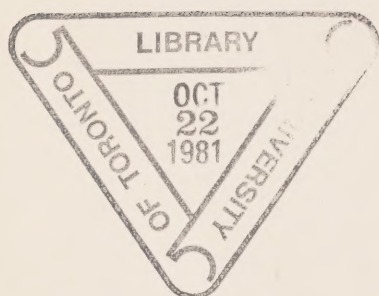
updating Canada's armed forces

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ATO's Mediterranean problems

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searching for a peacemaking role





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January/February 1976

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Letters of comment on issues discussed in *International Perspectives* are welcome and will be considered for publication.

# Selling CANDU to Britain: A venture in public diplomacy

Don Peacock

There is a new buzz-phrase around the Department of External Affairs headquarters in Ottawa — “public diplomacy”. It refers to the expanding emphasis being placed on the public relations, or public information, aspect of the promotion of Canada’s foreign policy objectives and interests. It may be argued that public diplomacy, in contrast with the traditional diplomacy conducted in private between government’s diplomats and another’s officials, is a recognition of the decisive influence of public opinion in open democracies. The right kind of public persuasion may win diplomatic campaigns conducted in private at more conventional levels of diplomacy. So much for the theory. How does public diplomacy work in practice? Without much doubt, the most important public diplomacy campaign in which Canada has been involved to date is the struggle from late 1973 until July 1974 to persuade the British Government to stay with Canadian-style nuclear-power technology instead of switching to American. (I make this assertion as a prejudiced person, having been personally involved in this particular campaign. But I am content with the facts, speaking for themselves, and substantiate the assertion.) As it developed, the campaign to sell CANDU reactor technology became a combination of public and private diplomacy. It was a unique feature in Canada’s recent foreign policy experience — and perhaps unique, period. Quickly, and happily, the campaign succeeded beyond the initial dreams of any of the people who were involved in it.

## Inspired articles

Just after mid-October 1973, in the press office of the Canadian High Commission in London, we began to notice the appearance of articles, first in one newspaper, and then in another, forecasting that Britain would soon decide it had no choice but to switch to American reactor technology for its growing power needs. The articles seemed so clearly to have been inspired by “leaks” from sources within the British

nuclear-power industry. These sources seemed to have concluded that the American reactor was the only practicable one on the world market. We at the High Commission held a different view.

On October 15, *The Guardian* printed a story under the headline “US reactors may power Britain”. Technology correspondent Peter Rodgers wrote that Britain was “moving strongly” towards a decision to buy American designs of nuclear-power stations for the next stage of its nuclear program. This would mean dropping the British steam-generating heavy-water reactor and the advanced gas-cooled reactor. (While there had for years been regular consultation and exchange of information between Canadian and British nuclear-power officials, Canada had not been pressing to sell its CANDU reactor in Britain because the British were working on their own version — the steam-generating heavy-water reactor now, it was reported, about to be dropped.)

A week later, *The Financial Times* carried a similar story by its respected science editor, David Fishlock. He predicted, as Rodgers had, that there would be a first-class political row over the efforts of the Central Electricity Generating Board to persuade the British Government to switch from British to U.S. nuclear-reactor technology. What really stirred the blood in the Canada House press office that morning, however, was this sentence

*British research  
had precluded  
Canadian pressure  
to buy CANDU*

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in the body of the story: "On the evidence available at present, the most reliable as well as the least expensive source of nuclear power would be from U.S.-designed light-water reactors."

Only a few weeks before, we had prepared in the press office a lengthy article for the High Commission's bi-monthly publication *Canada Today* about the CANDU steam-generating, heavy-water, natural-uranium reactor. *Canada Today* was at the printer and due to be distributed within a few days of the Fishlock article's appearance on October 22. In it, at the outset of our CANDU article, with an immodesty not characteristically Canadian, we had quoted Atomic Energy of Canada Limited as saying: "Canada has pioneered and brought to the stage of large-scale commercial application a nuclear power system that is without equal among proven, present-day types in making efficient and economical use of uranium fuel."

We at the High Commission knew that virtually all key British nuclear officials were well informed on the CANDU reactor's superlative performance in Ontario Hydro's power station at Pickering, Ontario. We knew that Atomic Energy's then President, J. Lorne Gray, had wide contacts in the nuclear trade in Britain and visited them regularly. Yet neither in Rodger's article nor in Fishlock's had any mention been made of CANDU. Worse, both articles made it clear to us that the sources of their information, obviously top officials at the Central Generating Board, were treating the CANDU as a non-starter in any British decision to buy foreign nuclear technology.

#### Source of leak

Worse still, it was clear what had been leaked. It was the recommendation to the then Prime Minister, Edward Heath, for a new nuclear-power program for Britain, and it had come from the most influential group within the British energy establishment, a group centred in the Central Generating Board. If the recommendation were accepted, much more than any possible sale of CANDU technology in Britain would be at risk. Until now Britain had been a valuable ally of Canadian reactor technology because it was continuing to develop the steam-generating heavy-water reactor — and was the only other country doing so. If Britain now dropped this type of reactor in favour of the American type, it would be Canada's nuclear technology against America's virtually the world over. The stakes were immense and time was running out.

But what more could be done at diplomatic level? As many representations as traditional diplomatic propriety allowed had already been made at the official level. We were sure the CANDU story was known at that level; we believed it was at least as good a story as that of an American-designed reactor; but here we were someone leaking only the American reactor's story and ignoring CANDU's.

In the press office we decided to consult the High Commission's counsellor (scientific), J. Ward Greenwood. What did he think about the idea of arranging a briefing by the then High Commissioner, J. H. (Jake) Warren, for British scientific correspondents to tell them the CANDU story before it was too late to make a difference? Greenwood said he thought it was a good idea and went off to consult J. H. Warren and colleagues from the Department of Industry, Trade and Commerce with an interest in selling CANDU technology abroad.

On October 24, Warren sent a diplomatic cable to Gray at Atomic Energy of Canada in Ottawa and copies of it to the External Affairs and other departments concerned. He reviewed what had been turned up in the London media and noted that Atomic Energy of Canada had a star offer to collaborate if Britain decided to settle on CANDU-type reactors for its future nuclear-power needs. But now the British nuclear-power program seemed to be heading into a new game. Perhaps Atomic Energy should consider offering Britain an outright "off-the-shelf" sale of a CANDU reactor. As our information indicated that the Central Generating Board would be making its American-repitch to the appropriate British Cabinet Minister at meetings on November 3 and 4, there was no time to wait. A decision must be made quickly.

Gray replied six days later in a telegram that reached London the following morning, October 31. He apologized for the delay in replying; he had been in Edinburgh primarily to talk to Italian officials about a bid (later unsuccessful) to sell the CANDU.

He had, he said, already offered the CANDU reactor off the shelf to the Scottish Electricity Board the previous August 29. It had been declined when the Scottish Board waited for the large, much more influential Central Generating Board to make up its mind what kind of reactor it preferred. However, Gray had reason to believe the Scottish Board was sympathetic to the steamer-type of reactor represented by CANDU. Gray told Warren that Atomic Energy was quit

*British officials  
well informed  
of CANDU'S  
performance record  
at Pickering*



ed to offer a direct CANDU sale to Britain, provided it would be given as serious consideration as America's. A casual interest would only cost Canada money and waste a lot of valuable time. Atomic Energy would be prepared to offer the Central Generating Board a CANDU system at a firm price, with significant British content in its production, and with full performance warranties and completion-time guarantees. It would also be willing to offer a complete nuclear-power plant from Canada, though Gray was sure this would be unacceptable to British authorities and industry.

No decision had yet been taken to move the CANDU campaign into the realm of public diplomacy, as we in the press office were recommending. But in the "public" field of diplomacy, events began to move rapidly. Warren and others at the High Commission did some fast soundings in the more usual — to use a well-known phrase — "diplomatic channels". It was found that new initiatives to win support for CANDU-type technology with British authorities would raise no official obstacles. In fact, there were indications that some British officials who opposed the American reactor design would welcome a further public debate in Britain about this final decision.

On November 6, Warren reported the results of the soundings to Ottawa in another diplomatic cable. By happy coincidence, Jeanne Sauvé, Canada's Minister of Science and Technology, had scheduled an official visit to London about the beginning of November. Warren was able to include in his cable her finding that there was evidence of support for the Canadian reactor system and its potentialities across a broad spectrum of British persons with a stake of one kind or another in Britain's final decision. It had also been determined what the main factors in the decision were likely to be.

### British needs

Britain had many problems and failures in its own nuclear-power technology, and Britain now wanted a reactor system with a record of reliable performance, economic operation, proved safety record, design flexibility, commercial application and export potential. These were all CANDU qualities. But the soundings had also picked up evidence that the British were not fully aware of these qualities. Warren advised Ottawa that, unless the merits of the CANDU system were quickly brought to British attention in a new marketing drive, Canadian-style reactor technology would find itself on the sidelines.

He urged that the drive should begin by offering to send over an Atomic Energy of Canada team to tell British authorities the latest CANDU success story. This should be followed up by an invitation for a team of senior British authorities to visit Canada and see the CANDU system in action for themselves.

Warren also took the precaution of warning that success was far from certain. But, without a new effort to get CANDU's merits across to the British, failure was already certain.

During a visit to London in May 1973, Alastair Gillespie, the Canadian Minister of Industry, Trade and Commerce, had met with the British Secretary of State for Trade and Industry, Peter Walker. The day after Warren's cable, Ottawa responded by cabling the text of a letter from Gillespie to Walker. The Minister reminded Walker that, during their May talks, they had discussed the scope for Britain and Canada to work together in the nuclear-power field. He reminded Walker of his invitation that a British team be sent to Canada to meet with Atomic Energy and Ontario Hydro officials and see the Pickering reactor station in action. Gillespie said he thought it would be timely to renew the invitation. He also proposed to send over an Atomic Energy team and suggested Canadian and British officials explore areas for co-operation by agencies and firms in both countries in developing nuclear-power facilities during the next few years. Gillespie followed up the letter with a transatlantic telephone call two days later.

The new CANDU sales drive was on. But it still had not broken into the realm of public diplomacy. Warren's first purpose had been to ensure, through private diplomacy, that nothing would be done to offend British officialdom. Meanwhile, a strategy had also been worked out at meetings in the main headquarters of the High Commission, Macdonald House in Grosvenor Square. There was general agreement that the first priority should be to persuade the British not to discard the CANDU-style pressure-tube reactor for the American-designed pressure-vessel reactor. It was also agreed that the campaign must be strictly positive — no knocking anybody else's reactor technology. The emphasis must be on the positive aspects of CANDU-type reactors, including the version Britain had itself been developing.

### Chances of success

From the vantage-ground of the press office, the chances of success looked better in the political than in the technological

*Failure certain  
without new effort  
to communicate  
CANDU'S merits*

*Strategy  
worked out  
at headquarters  
in London*

Higher cost  
of construction  
offset by  
lower fuel cost

or economic areas. Despite the claim *The Financial Times* reported on October 22 from Fishlock's Central Generating Board sources that power was produced more cheaply by American-style reactors than any others (which thus included CANDU), our evidence was that there was little to choose between the two in the cost area. Including initial fuel load and heavy water, the CANDU's construction cost was estimated to be about 10 percent higher than an American reactor's. But when it came to producing power once it was built, CANDU began to show to advantage with lower fuel costs—the difference between natural and enriched uranium prices. As far as Atomic Energy was concerned both reactors were fully safe. What advantage, if any, had CANDU?

We imagined that CANDU's biggest advantage would be its similarity to one of the reactors Britain itself had been developing. The political row over choosing an American reactor that the news reports had predicted drew its potential from the fact Britain had been the first nation to have a nuclear-power plant. Would its political leadership really be able to face open admission before the world that Britain had now lost out in the nuclear-power stakes?

It was decided at the High Commission that the most promising tactic would be to emphasize the possibilities for Canada and Britain together to produce the steam-generating heavy-water reactor, both for Britain's immediate nuclear-power needs and as a team competing in other countries with the two big American producers of reactors, Westinghouse and General Electric. Should the British decision go in this direction, it would be correct to present it as a decision to remain with British technology. Meanwhile, Canada's more advanced pressure-tube reactor technology would be waiting modestly in the wings, available for any gaps in Britain's reactor know-how that needed filling to ensure that future "steamers" worked up to expectations. And we should have attained our primary objective.

Walker willingly went along with Gillespie's proposals. Plans were soon made for a visit to London by Gray and other Atomic Energy officials. A full-scale technical presentation of the CANDU case would be given to British nuclear-energy authorities from government and industry on November 26 in Canada House. By this time, the press office had sent two memoranda to the High Commissioner, one, dated November 1, formally recommending a media briefing about CANDU and

another, dated November 8, recommending an advertising campaign.

## Going public

Following more diplomatic soundings in the private channel, and more exchanges of telegrams and telephone conversations between Ottawa and the High Commission, a decision was made on November 20 that the campaign should be carried on both public as well as private. A news release was issued on November 21 announcing the visit of Gray and his team. It stated that Atomic Energy of Canada was "interested in Anglo-Canadian co-operation in the construction and marketing of heavy water reactors as future sources of electricity". It also informed the media that Gray would hold a news conference in Canada House on November 27. While the Canadian campaign had been getting in gear, the forecast row over the British decision had been building up almost daily in the news media. Gray's news conference was better attended than any, except that of Prime Minister Pierre Trudeau, that occurred during my four years at Canada House.

The public diplomacy campaign now began in earnest. Fishlock learned of the Gray visit and reported it in *The Financial Times* on November 21 under a two-column headline: "Canadian bid to sell heavy water type reactor to U.K." This accurately summarized the Canadian point of attack: "A fresh Canadian bid to persuade the British Government of the advantages of an Anglo-Canadian collaboration on the heavy water type reactors is to be made early next week." Gray's news conference lasted nearly two hours and provided a thorough background briefing supported by printed materials for reporters, about the CANDU and Canadian interests in marketing its technology. "Canada woos U.K. on power" ran the headline next morning in *The Guardian*. "Canada enters the lists" reported *The Financial Times* across four columns. "Nuclear power: a Canadian option" spanned *The Times* across five columns.

In *The Edinburgh Scotsman*, energy correspondent Frank Frazer reported on the visit to Glasgow of Atomic Energy's then Vice-President (now President, following Gray's retirement), John S. Foster. He had gone there while Gray had his news conference, to discuss with South of Scotland Electricity Board officials the possibility of Canadian collaboration on the next major power station in Scotland.

During the next seven months, Gray visited Britain three more times, each time with as much attendant publicity as the

Canada-Britain  
technological  
co-operation  
emphasized



the Commission could manage. The then Minister of Energy, Mines and Technical Surveys, Donald Macdonald, and Ontario Energy Minister Darcy McKeough made a joint visit in February that included a call on Prime Minister Heath the day after he called the election he was to lose. They also held a joint news conference at Canada House. Gillespie pursued the CANDU cause further with British Ministers of the new Labour Government during a visit in April. A three-man team of British experts visited Pickering in February and on April 8 Fishlock reported to *The Financial Times* that their report to the British Cabinet could "wreck" the Central Generating Board's chances of obtaining approval to buy American reactors.

### Crucial momentum

Any personal judgment, the crucial momentum of the CANDU campaign was created by the first Gray news conference. It learnt that the news stories about this Canadian initiative had won wide attention among British Parliamentarians. There was evidence that this had led a House of Commons subcommittee to request hearings on nuclear energy. Conservative Party headquarters asked Scientific Consultant Greenwood to arrange a background briefing for Conservative backbenchers, which he did. Atomic Energy officials from Canada attended. Questions were asked in the Commons about the possibility of going ahead with heavy-water reactors on a joint Anglo-Canadian basis, the course of which Canada's nuclear-energy program was described as "extremely impressive".

The respected *New Scientist* magazine, in a full-page report on the Gray news conference, said: "CANDU technology is far rarer to British experience than is LWR (American) technology, and techniques (Britain's) SGHWR are similar to those needed for CANDU. This should make CANDU easier for British engineers to take up." The report was critical of the respective decision to buy American and urged the Commons subcommittee to dig deeper, which the subcommittee seemed ready to have decided to do. As an interesting spinoff, Gray's news conference produced a front-page story in the prestige French daily *Le Monde*. The Canadian embassy there reported to Ottawa that it considered that this "constitutes a breakthrough in publicity for CANDU in Britain".

By the end of November, a decision had been taken to run an advertising campaign to maintain the public diplomacy momentum. Warren's only stipulations

were that it must not try to capitalize on then-current worries about an energy crisis in Britain and should not add to the political problems of the British Government on energy issues. Among other reasons given for the campaign was that it would increase pressure in Britain for full consideration of Canadian nuclear experience and would create a climate more receptive to a decision to opt for CANDU or a related system than if the general public were largely unaware of CANDU's existence.

On the advice of a London advertising agency, a quarter-page ad was carried in *The Financial Times* on January 11, 1974, *The Sunday Times* on January 13 and *The Daily Telegraph* on January 15. The same ad was run on a full page in *The Economist* of January 19. The emphasis was strictly positive and self-confident. Under the headline "CANDU — The Canadian Alternative", the opening paragraph said: "There is another commercially proven North American source of nuclear power — the Canadian CANDU reactor. Only modesty keeps us from saying CANDU is the best reactor in any market today. But it cannot be denied that its performance record shows there is no more productive, more reliable or safer reactor in commercial use." It concluded: "Atomic Energy of Canada Limited traces its nuclear research back to partnership with Britain at the start of the nuclear age three decades ago." And it asked: "Is it not a good time for the partnership to be renewed?"

The ad series evoked further rounds of letters to the editor. A copy of it was sent to all 635 British Members of Parliament. One letter in *The Financial Times*, under the heading "Candu can do it", asked why it had been necessary for Canada to put its CANDU case in an ad. Why wasn't the Central Generating Board telling Britons why CANDU was not its choice? A letter appeared in *The Guardian* under a four-column heading: "What about Canada's reactors?" Following the change of British Governments in February 1974, a nine-member delegation of MPs, representing all parties, visited Pickering to look at the CANDU for themselves. By all accounts they were favourably impressed. Similar ads were later run in *The Times* (March 13) and *New Scientist*. The one in *New Scientist* was later used as an illustration on the British Broadcasting Corporation public affairs television program "Panorama", which mentioned CANDU in a study of the British reactor decision. A letter to the editor about the advertising caught the attention of a BBC

*Advertisements strictly positive and self-confident*

*Letters to editors resulted from series of ads*



radio public affairs producer, who later interviewed Gray on his program.

But not all results were positive. *The Economist*, evidently taking its line without question from the Central Generating Board, included CANDU in an article on February 9 as among the "obsolete" reactors. A member of a union group who had attended a meeting with Gray had a letter to the editor published in *The Economist* of March 2 criticizing the article and defending CANDU and Britain's SGHWR. But my own reading of *The Economist* since then, and a request to its editorial offices in preparation for writing this article, produced no evidence of retraction. Nor was Industrial Editor Keith Richardson of *The Sunday Times* swayed. In its March 31 edition, he wrote a two-page article explaining, as the headline put it: "Why Britain Must Buy U.S. Nuclear Power."

Happily, in the end Britain decided

not to buy American but to stick with its own reactor technology and work out a deal with Canada for technology-sharing in the pressure-tube reactor field. The decision was made in July 1974. Had we made ourselves, we at the High Commission were involved in the campaign, public or private, could not have been more content.

It was icing on the public diplomacy cake when *Scientific American* came out in its October 1975 edition with a full-length feature thoroughly examining the CANDU and comparing it with American light water reactors. The article was written as a result of representations made to New York editors by the magazine's London-based European representative who heard about CANDU through the Canada House press office. Among other points the article makes is this one: "... the CANDU system is at least competitive with current U.S. nuclear generating systems." That's obsolete?

No evidence  
of retraction  
by Economist

## Nuclear policy should be more open and less ambiguous

Albert Legault

France has been accused, rightly or wrongly, of contributing to the development of Israel's nuclear program, since Israel initially used a French nuclear reactor to obtain the fissionable materials necessary for the manufacture of nuclear bombs. In some circles it is suggested that the Indian nuclear "device" tested in 1974, for so-called peaceful purposes, was largely the product of Canadian technology, particularly as it involved Indian nuclear

reactors built in close co-operation with Canada.

It does appear that it was with the Trombay Canada-India Reactor (CIR) that India isolated the plutonium necessary for the manufacture of its first nuclear "device". It also appears that India used its own natural uranium — which has in plentiful supply — to obtain plutonium. In consequence, Canada would be responsible only to the extent to which Canadian technology — and not fissionable materials — served indirectly to speed a process India had already started. Morally the whole question is, therefore, whether or not India could actually have developed its nuclear program without Canadian nuclear assistance. Of course no one will ever be able to answer the question, because it is impossible to create a previous situation that could fit with a hypothesis formulated after the fact. In any case, the most astonishing thing about it is Canada's surprise.

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entive observer of the international situation could have foreseen in 1972 — or long before, according to other specialists — that India had in no way renounced the nuclear option”.

In the field of nuclear technology, there are many other countries besides India that benefit from Canadian cooperation on nuclear reactors or in supplying fissionable materials. Furthermore, some of these countries, such as Argentina, Pakistan, Spain and Japan, with regard to the supplying of uranium, have never ratified the Treaty on the Non-Proliferation of Nuclear Weapons of 1968. The case of South Korea is different, since it recently decided to ratify the treaty, though this did not prevent that country from stating not long ago that it should not logically be forbidden to consider nuclear armament if the United States ever decided to deprive it of the American atomic “umbrella”.

Consequently it is not unreasonable to think that some countries receiving Canadian aid might eventually follow India's example and explode their own nuclear devices, especially since some of these countries are already highly suspect for the simple reason that they have not yet ratified the 1968 non-proliferation treaty.

### Reactors and bombs

At this connection, it is very important to be aware that civilian industry can be an important stage in the acquisition of military nuclear technology. The manufacture of a nuclear bomb presupposes that a country has fissionable materials at its disposal (uranium 235 and plutonium 239 being the most frequently used). To obtain uranium 235, its isotopic content in natural uranium must be enriched. This process is in itself very complex, as well as very costly. Plutonium 239 can be obtained only from nuclear reactions occurring in reactors. This operation is also very costly — one kilogram of plutonium 239 containing a small amount of isotope 240 (3 per cent) is valued at \$60,000 — but it is available to most countries that have nuclear reactors fuelled by uranium 238.

If we take into account that it is possible to obtain about 130 kilograms of plutonium from a nuclear-power station having an electrical capacity of 500 megawatts (with equal power and depending on the type of reactor used, it would be possible to increase the quantity of plutonium obtained), and that only five to eight kilograms of plutonium 239 are required to produce a so-called “atomic” bomb of the Hiroshima type, we realize that civilian

industry makes possible the production of an incalculable number of bombs if a country wants to take this course. As an example, let us point out that the total electrical capacity generated by the CANDU reactors in Canada as of 1983 will be about 15,000 megawatts; the Bruce power-station in Ontario will itself generate 6,000 megawatts when it is completed in 1982. A simple calculation shows that, if Canada wanted to process the irradiated materials in the reactors with the appropriate chemicals, it could isolate enough plutonium to make hundreds of bombs of about 20 kilotons each!

For that matter — and to take only one example — how many bombs could Argentina produce if it decided to use for military purposes the 600-megawatt CANDU reactor that will be operational in Rio Tercero in 1981? On the basis of the above figures, that country could produce at least 12 atomic bombs in 1982, could have accumulated a good 60 by 1987 and over 100 by the beginning of the 1990s. However, Argentina does not yet have a chemical-processing plant with which to enrich the isotopic content of plutonium 239 and we are justified in wondering whether it is realistic to put the question in these terms. To be able to answer, we must study somewhat more closely the non-proliferation treaty and the conditions imposed by Canada in its nuclear-assistance program.

### Non-proliferation treaty

The chief obligations accepted by those countries that have subscribed to the non-proliferation treaty of 1968 can easily be summarized. The nuclear states undertook not to do what they never intended to do anyway — that is, to supply atomic weapons to anyone, directly or indirectly, or in any way. The non-nuclear states undertook not to acquire any, or even to seek to acquire them, directly or indirectly or in any way. Lastly, the non-nuclear states party to the treaty undertook to conclude an agreement with the IAEA (International Atomic Energy Agency) in Vienna that the entire development of their nuclear programs would be subject to Agency safeguards.

Canada has always seen this treaty as the best instrument of control yet available — in the absence of a stricter and more comprehensive agreement, or of general disarmament — for preventing the proliferation of nuclear weapons. Let us make clear, however — and Canada readily acknowledges it —, that this treaty is valid only to the extent that the voluntary assent of the subscribing states can be relied

*No atomic weapons  
directly or  
indirectly  
or in any way*



upon, and that in the end the Agency as such does not have any means of sanction against a state that might decide overnight to back out of its responsibilities. Be that as it may, the treaty is a legal instrument to which over 100 countries have subscribed.

In order to restore a certain reciprocity of rights between those states that have atomic weapons and those that have none, the treaty in no way prohibits nuclear research for peaceful purposes. On the contrary, it encourages this, since the nuclear states have undertaken to give the non-nuclear states the benefit of their nuclear technology — on the condition, of course, that it be used for peaceful purposes.

A certain ambiguity in the treaty is that its Article 3(2) forbids all export of source materials or special fissionable products unless these materials shall be subject to Agency safeguards. In cases of export to a non-nuclear country, does this mean that the Agency safeguards apply only to the products imported into the recipient country, or must the whole nuclear program of the recipient country be subject to these safeguards? The question does not arise for those countries that have ratified the treaty, since the non-nuclear states that have done so are already subject to Agency supervision. But what if a non-signatory country like Israel imported fissionable materials from another country party to the treaty? Should Agency supervision apply only to fissionable materials exported to Israel, irrespective of the whole Israeli nuclear program? This is a source of ambiguity that the spring 1975 Review Conference on the Non-Proliferation Treaty was unable to settle to its satisfaction. Although the final resolution of the conference was perfectly clear in this regard, the fact remains that, in practice, the nuclear-production states are keeping to a restrictive interpretation of Article 3(a).

### Three paradoxes

Before setting forth the conditions now imposed by Canada with regard to nuclear co-operation, it would be useful to bring to mind the inconsistencies in which Canada seems to have trapped itself concerning the non-proliferation of atomic weapons.

The first inconsistency, and not the least important, is that, while Canada fiercely opposes any proliferation of nuclear arms, it still participates in the nuclear infrastructure of the Atlantic Alliance and still accepts nuclear warheads under double-key system within the framework of the NORAD agreements. (This

phenomenon of co-partnership is described in the language of the specialists as horizontal proliferation, as opposed to vertical proliferation, the former being defined as the successive increase in the number of states that obtain their own atomic weapons.) The ambivalence of our policy lies half-way between the certainty of the truth Canada has of knowing that it is protected and that of knowing that it could protect itself, yet very well aware that others are undertaking to do so in its place. There are few countries in the world that could use a strategic reasoning as singular as it is exceptional.

The second inconsistency results from our non-proliferation policy as such. Everyone is aware of the emotion aroused in the Canadian Government — not to mention the Canadian public — by the first Indian nuclear “device” test. Let us suppose that the Canadian Government was truly surprised by India’s action in May 1974. Let us also suppose that it never occurred to Canadian leaders that India could go back on its solemn promise to use Canadian technological assistance for peaceful purposes only. It is not at all difficult, if these two things are true (although daring individuals could doubt demonstrate the contrary), to believe in the sincerity of the Canadian reaction. It is more difficult to follow the reasoning behind Canadian policy when Ottawa continues to negotiate with countries like Spain and Argentina, which have not ratified the non-proliferation treaty and could, therefore, be suspected of potential nuclear adventuring.

The lack of a promise does not mean that one is going to carry out the intentions that others rightly or wrongly ascribe to one. There are, however, times when a promise helps eliminate suspicion and this is precisely one of the objectives of the non-proliferation treaty. By continuing the program of nuclear assistance to countries that have refused up to now to commit their futures on the basis of a simple promise, Canada is implicitly accepting the risk that the low probability of the nuclear option, which is being exercised today, by these countries, will one day materialize. This is an inconsistency that the most subtle arguments will never manage to eliminate entirely.

Actually, if Canada does not refuse to negotiate with these countries, it is because it understands perfectly the language of national interest, and it cannot be very roundly reproached for being sensible. Have agreements on nuclear co-operation with Argentina not been concluded in the past? Has that country

*No prohibition  
of research  
for peaceful  
purposes*



unwillingly held to the terms of the agreements signed with our country? If we refused it our continued technological assistance, would this not amount to depriving it of indispensable support in matters of peaceful nuclear co-operation? Similarly, could Pakistan not take umbrage at any suspension of Canadian assistance, when it could in no way be held responsible for the Canada-India misadventure? Lastly, can we reasonably doubt the good faith of Japan, which has entered into major agreements with our country in matters of technology and natural resources? Besides, is Japan not one of Canada's chief economic partners?

All this is true, but we forget that in putting forward these arguments we are speaking the language of *national interest*. That is the third paradox of our policy, because the hard line, as some neutrals have seen, and as some so-called committed countries have also discovered, does not lend itself to compromise. In trying to stand on the fence by being against proliferation while still accepting the risk involved in co-operating with countries that have not ratified the 1968 treaty, we shall inevitably continue to get along, but the awakening will probably be much more painful than in 1974, if and when a country poses the nuclear option.

It is probable that the language of *national interest*, or of so-called "realistic" policy, also involves a certain responsibility on the part of the political authorities to inform the Canadian people of the true magnitude of the stakes. There is a significant gap between what we are actually doing and doing these days, and the idea the Canadian public has of what we are doing and doing. If we speak this way now, perhaps it is because Canada is no longer the economically weak country it seemed to be just a few years ago.

### Canadian safeguards

In December 1974, seven months after the Indian nuclear test, the Canadian Government announced through its Minister of Energy, Mines and Resources, Donald MacDonald, that the safeguards on Canadian nuclear co-operation would henceforth apply not only to the export of fissionable materials but to all nuclear equipment and technology of Canadian origin. Thus we performed the double feat of keeping a clear conscience and preventing the manufacture of other indigenous reactors that would be the fruit of Canadian technology. We know, for example, that India is in the process of constructing a nuclear reactor that is an exact copy of the RAPP reactor.

The controls insisted on by Canada are thus much stricter, because more all-embracing, than these required by the IAEA. However strict the controls, it was still abundantly clear that Canada could not escape reproach for continuing its nuclear co-operation with countries that had given no sign of ratifying the non-proliferation treaty. We therefore took advantage of the Review Conference on the Non-Proliferation Treaty, held in May 1975, to tighten Canadian policy on nuclear co-operation. At that time, the Secretary of State for External Affairs, Allan MacEachen, stated that, in future: "Canadian bilateral official development-assistance commitments for the financing of nuclear projects will be undertaken solely to non-proliferation treaty party states". Furthermore, added the Minister, adherence to the treaty would be "an important factor in reaching decisions on the provision of Canadian Government export financing in the nuclear field".

In other words, no country that has not ratified the non-proliferation treaty will be able to take advantage of the Canadian nuclear-technology assistance programs if that country requests Canadian financing for the purpose. However, if no financing is involved, the request will be considered, although it is improbable that it will be followed up since Canada's preference will go to countries that have already adhered to the treaty.

Canada has thus managed to define, step by step, four categories of country. This is not saying very much, but it is most revealing about the extraordinary political imagination of Canadians! In the first category there is only India — since that is the only country with which our bilateral co-operation agreements preceded not only the Treaty on the Non-Proliferation of Nuclear Weapons, but even the creation of the International Atomic Energy Agency. In the second category are countries like Pakistan, Spain and Argentina, which are not parties to the treaty but which continue to benefit from Canadian assistance in the form of technology or equipment. The third category is that of the poor countries that have not yet adhered to the treaty and are excluded at the moment from the list of our potential customers when they do not fall in with the prevailing ideology regarding non-proliferation. Lastly, there is the category of rich countries that have not signed the treaty and could undoubtedly purchase Canadian nuclear reactors without finding themselves in the humiliating position of having to request Canadian financing. The door is, therefore, not per-

*Canadian preference will go to adhering countries*

manently closed to them, because we have up to now merely expressed preferences that would be "important factors" — but not necessarily determining ones — in any decision we made.

The least that can be said about this is that the distinction between these categories is as clear as crystal! We shall not return to the third paradox we mentioned above, but it is quite obvious that the language we are using now is hardly consistent with the moral ideals we are proclaiming, and that we are not prepared to apply these principles fully in practice because the nature of the international system forces us to make compromises.

### Problem of numbers

My colleague Professor Jean-Pierre Derriennic reminded me not long ago of the problem posed by the great number of states involved. Everything goes on as if Canada had the impression it was acting alone in the international system, and was able to prevent the proliferation of nuclear arms by its moral interdictions alone.

In reality, Canada can easily adopt a policy that, as we have just seen, is not too illogical, and can do everything in its power to bring the other states to think as it would like them to think. The fact remains, however, that some countries have no intention of discussing things the way we do, and all this seems to me to be consistent with the reality of the international system.

Some countries, in fact, have no intention of adhering to the treaty; others prefer to maintain their bilateral co-operation shielded from any international indiscretion; and some have no qualms about weaving preferential links among themselves, the results of which are unknown at the moment.

The larger question of whether or not it is possible to prevent the proliferation of nuclear weapons constitutes in itself a great historical debate, but I do not intend to get into long discussions here. Suffice it to say that there are two schools of thought on the matter — the optimistic and the pessimistic. The optimists consider that we are living in a period of profound interdependence, that the world has changed, that national nuclear defence is an absurdity, and that we are moving towards a form of ecumenism stamped with the seal of compassion between men and between nations. The pessimists, on the other hand, say that nothing has changed, that nationalism is reviving, and that the proliferation of nuclear arms is inevitable. The truth probably lies somewhere between these two positions, and all

that we can reasonably say is that, if we cannot stop the proliferation of nuclear arms, we can at least slow it down.

It is perfectly understandable that Canada does not want to be associated in any way, directly or indirectly, with the spread of nuclear arms. It is also quite logical and desirable that very strict watch be kept on our problems with nuclear co-operation assistance. However, our responsibility ends there.

It would take too long to explain the reasons for this choice. We have already mentioned some; others are easy to guess. Of the latter, one is basic: widespread dissemination of nuclear technology necessarily go hand in hand with the growth process in the civilian field. Whether a country uses technology for peaceful or military purposes will always depend ultimately on how it assesses its own national interest. When we consider that it takes from five to six years to build a reactor to operate at full capacity, that the reactor will be operational after 30 years, it would be presumptuous to think that the conditions on which a contract is concluded today will be the same in 36 years. This does not mean that the promises made will necessarily be broken, but it does mean that it is reasonable to expect that there will be difficulties and that some nations will refuse to be confined to a status of permanent nuclear weakness if they feel that their security cannot be assured other than by nuclear armament. This is as true for the signatory as for the non-signatory countries, except that in the first case it would be fairer to use the *language of probabilities* and, in the second, the *presumptions* whose validity remains to be demonstrated.

If it is true, however, that the progress of technology cannot be stopped and that Canada enjoys an undeniable comparative advantage in the field of nuclear technology, it is hard to see why it should be reproached for using to its advantage the master card it holds. Actually, a sound Canadian policy on nuclear proliferation, in order to be plausible, would involve four conditions. The first is that it should not obtain an atomic weapon itself, which does not seem to be much of a problem at the moment. The second is that it should ensure that nuclear technology, equipment and fissionable materials are used only for peaceful purposes. Canada's responsibility ends there because we have no control over what other states do outside the framework of co-operation. The third condition is

*Some countries  
will not discuss  
on our terms*



use every possible means — which is, in fact, within our power — to delay the process of nuclear proliferation through multilateral legal instruments of control. We must stress in this regard the numerous and repeated statements made by the Canadian Government, our efforts within the group of nuclear-production countries, and our proposals concerning the setting-up of an international system for regulating the use of nuclear explosives for peaceful purposes. The fourth and final condition is that Canada agrees to confront reality and explain a little better to its people the magnitude of the problem, lest the

gap grow between the picture we are presenting of our actions and words and what we are really doing and saying.

It is only when these conditions are met that Canadian industry will be able to follow more closely the intricacies of the Government's thinking on nuclear co-operation. It goes without saying that clear and precise directives are urgently needed in this area, because the master card Canada holds today could be trumped by other countries that are close behind us and may not be burdened with as many scruples about continuing their policy of nuclear co-operation for civilian purposes.

This is the thirtieth anniversary of the beginning of the nuclear age and the half-way point in the "Decade of Disarmament", but we must admit that we have made conspicuously little progress in achieving even a minimal advance towards arms limitation, let alone disarmament. . . .

Although the great powers have not yet curbed their nuclear arsenals, most of the other nations of the world have resolutely foresworn the acquisition of nuclear weapons. They recognize that, for them, any idea that the possession of nuclear weapons would convey real power and influence, or contribute to the attainment of their national goals, is illusory.

We live in an age that accepts the sovereign power of nations as a primary political principle. It is, therefore, remarkable — indeed inspiring — that more than 90 non-nuclear-weapon states have had the courage to join together in adhering to the Treaty on the Non-Proliferation of Nuclear Weapons as an act of mutual reassurance that they will not develop or acquire nuclear weapons. I submit that, in so doing, they have not derogated from their sovereignty; rather, they have strengthened it by refusing to allow outmoded concepts to stand in the way of common sense. This has been the most significant contribution to the goal of disarmament in the past 30 years. . . .

The scope for the peaceful uses of nuclear energy poses another crucial question, a question of particular importance to all states in a position to make nuclear materials and technology available to others. The promise foreseen 30 years ago that nuclear ener-

gy could be an important tool for the economic and social benefit of mankind is well on the way to fulfilment. But do we have the wisdom to recognize and take action to ensure that the diffusion of nuclear technology, equipment and materials throughout the world for peaceful purposes can be achieved without compounding the danger of nuclear-weapons proliferation and of nuclear war?

Canada's response to this question was given recently by Prime Minister Trudeau. He saw it in terms of obligations. As an economically-advanced country, Canada wishes to do all it can to help the less-developed countries of the world gain a handhold on the technological age. But, at the same time, the Canadian Government has an obligation to ensure that nuclear materials, equipment or technology from Canadian sources are not diverted to the manufacture of nuclear-explosive devices. That is why Canada strongly supports the application of effective safeguards through the International Atomic Energy Agency. Canada firmly believes that efforts by both exporters and importers of nuclear materials, equipment and technology to achieve more effective safeguards on international nuclear co-operation and commerce will greatly facilitate the worldwide development of the peaceful uses of nuclear energy. . . .

*Extract from a statement in the First Committee of the General Assembly, November 4, 1975, by W. H. Barton, Canadian Ambassador and Permanent Representative to the Office of the United Nations at Geneva and to the Conference of the Committee on Disarmament.*



# Civil war in Lebanon: the anatomy of a crisis

By David Waines

Beirut was once envied as the Zurich of the Middle East. Today, its most viable and visible commercial enterprise is the arms trade. Once regarded as the playground of the Eastern Mediterranean, Beirut is now transformed into a bloody battlefield rivalling Saigon (or perhaps Warsaw) at the peak of its war-torn existence. Property destruction, torture, murder, rape, kidnapping, looting and vengeance only partially catalogue the terrors of daily life. Beirut today is a ravaged city; Lebanon, a country divided against itself, performs the grotesque and savage ritual of apparent mass suicide.

Foreign observers are not alone in asking how matters have come to this pass. Many Lebanese also gaze in horror — many in shame — at the spectacle. Yet few have recognized that Lebanon 1975 is not merely a local conflagration. The possible international repercussions of the crisis itself, so far only acknowledged in silence by most Western and Arab governments, make it the most explosive since the first Palestine war in 1948.

Like rumours of fear, theories explaining the current chaos are legion; their common element is that some "conspiracy" exists. The conspiracy theories differ only as to who is plotting what against whom. Separately, each contains a grain of plausibility. Collectively, the conspiracy theories reflect both the legacy of the past and the fears and frustrations arising from

a complex of rapidly-changing current conditions. As a starting-point, therefore, one may observe that a general cause of the current civil war in Lebanon is the obsolescence of the National Charter.

## Britain and France

After the First World War, the two main Western powers, Britain and France, divided most of the Middle East between them, cloaking their imperial interests as rivalries in a system of League of Nations mandated territories. Britain (which had already occupied Egypt) received Palestine and Iraq, while France was given Syria and Lebanon. In Lebanon, during the late 1920s, a constitution was drawn up according to which the country would be prepared for independence. Next, an informal unwritten agreement was reached whereby the political spoils of national independence would be divided in relation to the numerical size of the two main religious communities, Christian and Moslem. A census conducted by the French in 1932 (the results of which are now considered to have served their cruder political interests) showed that the various Christian sects combined gave them a slight majority over the Moslems. The Christian Maronite sect, traditionally pro-French and pro-Western, possessed the largest share of the minority. Hence, in the National Charter, parliamentary representation was fixed at a constant ratio of six Christians to five Moslems; the President of the Republic, the country's most powerful political figure, would be a Maronite Christian; the Prime Minister, a Sunni Moslem, and the Speaker of the Chamber of Deputies, a Shia Moslem.

The system was a delicately-balanced combination of several sectarian interests in which the Maronites were assured a paramount political role. The same sectarian ratio was also applied to every pointment for public office. More important was the army, where the commander-in-chief and many senior officer cadres were solidly Maronite. This sectarian (or h

*Lebanese  
gaze in horror  
and in shame  
at spectacle*

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ital) division should not, however, obscure the role and economic power of feudal interests (both landed and commercial), which also divided the country vertically into haves and have-nots, irrespective of religion. For example, from independence in 1943 to the present, Lebanon has been dominated by the same group of leaders, Moslem and Christian, or their sons and protégés. The Cabinet of ministers formed in July 1975 to end the civil strife contained three feudal lords over 70 years of age and two men, including the Prime Minister, who had "inherited" the political mantle from family predecessors. Evidently, the National Charter's greatest weakness was its usually unwritten assumption that Lebanon and the surrounding universe were changing entities.

### **vulnerability**

At time would not stand still nor could sudden squalls fail to buffet quiet waters. Lebanon was acutely vulnerable to events beyond the narrow horizon of its immediate control. A case in point was the first Palestine war of 1948. Although its army did not participate, Lebanon's ruling business interests derived positive benefits from it. The imposition of the Arab economic boycott against Israel enhanced — indeed, assured — Beirut's position as the key transit port to and from the entire Eastern Arab world. On the other hand, Lebanon's population increased overnight by 10 per cent as hundreds of thousands of Palestinians, driven from or fleeing their homes during the war, became unwilling exiles on its soil. No one at the time could have foreseen the consequences of this development.

Barely a decade later, the weaknesses and contradictions of the National Charter were nakedly exposed during an outbreak of intercommunal fighting now referred to as the First Civil War of 1958. By comparison with the fighting in the present civil war, 1958 was a mild affair resulting in no more than a few hundred casualties; estimates of casualties in the present crisis have soared into many thousands.

Again, the reverberations of external developments in the Arab world swept over the Lebanese political scene. The revolution of Egypt and Syria under Gamal Abdel Nasser and the liquidation of the royalist regime in Iraq were hailed by the Arab masses as progressive, anti-imperialist movements. In Lebanon, President Camille Chamoun (Minister of the Interior in the present emergency cabinet), who was then attempting to contravene the constitution by running for a second

successive term in office, had come under bitter attack from Nasserist forces for his openly pro-Western leanings. The Maronites of Lebanon had never made any secret of their greater sense of affinity to Europe, and especially France, than to their fellow countrymen. Preserving Lebanon's special character in a Moslem Arab world was the Maronites' particular sense of mission; this entailed, of necessity, their continued political and economic dominance. Alleging an imminent attempt to drag Lebanon into the Arab socialist camp, Chamoun appealed to the American Sixth Fleet for support against his opponents. When the marines landed in Beirut, opposition attacks upon the President seemed fully justified.

Once the crisis had passed and daily life returned to normal, the Lebanese believed that they had "learnt a lesson" and that such civil disorder could not happen again. In the decade following 1958 this optimism seemed borne out as the economy forged ahead to unprecedented levels. However, based on few natural resources other than the shrewdness of the hard-driving Lebanese *entrepreneur*, the essentially service economy seemed guided more by Adam Smith's "invisible hand" than by any rational development plans. Even specialists conceded that the best policy for economic development was no policy at all. With one or two exceptions, the same short-sighted *laissez faire* attitude characterized the Government's approach to basic questions of social justice and welfare.

### **Lesson not learnt**

This was, in fact, the one lesson the Lebanese had not learnt. While the civil war of 1958 was discussed in sectarian terms — Moslem against Christian —, it could not conceal the underlying movement of discontent and demands for a more balanced and equitable dispensation of the national wealth. The economy showed immense disparities between its two major sectors. Agriculture, for example, employed about 50 per cent of the labour force, while contributing only about 11 per cent to the national income; the service sector, on the other hand, employed only about 14 per cent of the labour force but contributed some 67 per cent to the national income. Added to income disparities were growing regional disparities in development between Mount Lebanon, which is predominantly Maronite, and the more backward agricultural south, inhabited largely by poorer Shia Moslems.

The 1958 civil war, therefore, had altered nothing. Redress of grievances

*During 1960s  
optimism borne out  
by economic  
progress*



could still only be pursued through appeal to the patronage of sectarian feudal leaders, who held the reins of political and economic power. Communities and districts, like individuals, prospered in relation to the strength of their respective leaders within the total power profile. In times of relative stability, networks of co-operation among the leaders of the different sects helped perpetuate the chartered system of inequalities. In crisis periods, the primary cleavage may appear to be purely sectarian, but these same leaders strive equally to maintain their privileged positions within their communities in fear of the consequences of unleashing genuinely popular forces under their control.

By 1958, however, one important substantive change was occurring within Lebanon that did not go unremarked. Where the 1932 population census was supposed to have reflected the existing sectarian balance, those positions a generation later were suspected to be dramatically different. Not only were the Moslems suspected of comprising an absolute majority of the population but the largest minority was almost certainly not the Maronite but rather the Shia community. The reasons adduced for this new situation were the higher birth-rates among the Moslems and the greater tendency of the Christians to emigrate to the Americas. To say that it was "suspected" that the demographic balance had shifted is to say no one, least of all the Maronite and Sunni leaders, wanted to find out what the real situation was by conducting a new census. The question was too explosive politically and, like many other pressing problems, it was thought best put aside and left alone. Nevertheless, the awareness existed that much was at stake — to be won or lost.

### **Watershed, 1967**

The war of June 1967 was a watershed in the recent history of the Arab "confrontation" states with Israel. As in previous conflicts, Lebanon sat on the sidelines. Next to Jordan, Lebanon contained the largest number of Palestinians displaced since 1948 and either living in refugee camps or prospering as integrated members of the national economic life. Following the humiliating defeat of the regular Arab armies by Israel, it was natural that the Palestine Liberation Organization, under new leadership, should attempt to fill the void. The proliferation of commando attacks against Israel after 1967 captured massive popular Arab support. The Israeli response to these raids produced a rising spiral of violence in the

area. Their purpose in raiding Jordan and Lebanon was to drive a wedge between the Palestinians and the respective governments, thus isolating and weakening the commando bases of support. The policy proved its merit when King Hussein of Jordan successfully liquidated the commando movement in the bloody civil war of September 1970.

Thereafter, Israel turned its attention to Lebanon. Palestinian training camps in the south of the country (dubbed by the press "Fatahland") came under constant Israeli air attacks, and even ordinary villagers lived under threat of invasion and destruction by armoured patrols. To facilitate these manoeuvres, Israel constructed military roads and armed observation posts inside Lebanese territory. Special missions were carried out in the heart of the country, its capital Beirut. Following the October war of 1973, Palestinian resistance groups mounted increased attacks against Israel, from Lebanon as well as from inside the west bank of Jordan and Jerusalem. Israel retaliated in kind, but failed to bring about a "Jordanian solution" despite clashes between the Palestinians and the Lebanese army.

Owing to the sectarian political structure of Lebanon and its lack of a strong unified government, a Jordanian solution was not, in fact, viable. The predominant Shia south was taking a terrible beating from the Israeli attacks and villagers began leaving their homes to march upon Beirut to protest to the government their lack of protection. One began to hear in government circles some advocating the "internationalization" or "neutralization" of Lebanon, while in Maronite quarters some cynically urged that the south could go to the devil or, better still, to the Israelis. The Maronite leadership of the army, backed by the President, did not want to be drawn into unequal conflict with the Israelis. Direct confrontation with the Palestinians, on the other hand, risked splitting Moslem nationalist elements away from the army. The problem remained how to impose contractual limits upon Palestinian operations without not appearing to attempt to eliminate the commandos themselves. The Palestinian leadership, while remembering Jordan, recognized their own and the government's dilemma and, anxious to avoid a decisive showdown, co-operated to defuse the situation.

The Palestinian presence, however, was only a part of the configuration of forces causing tension in Lebanon during the years since 1967. The more fundamen-

*Leadership  
avoided  
touchy issue  
of demography*





World Wide Photo

*Christmas Eve 1975 — the main street in Beirut gave evidence that the world had not entered an era of peace. The title on the marquee was a more appropriate slogan for the times. As this issue of International Perspectives goes to press, an uneasy truce prevails in Lebanon, but whether it is a prelude to a political settlement or merely an interlude in the civil war is not clear.*

... socio-economic and political problems were brought into the open once again. Moreover, Beirut had become the intellectual emporium of a wide range of radical critiques not only of the Palestine problem but of Lebanese and Arab society in general. The schools and universities were frequently the breeding-grounds for these ideas and radical movements. Strikes and demonstrations, particularly at the American and Lebanese universities in Beirut, were the expression of a younger generation's political consciousness and dissatisfaction with an ossified political system. Their repression at the American University in 1974 by an administration collaborating with the Lebanese Special Security Forces created great bitterness but also won approval from conservative right-wing groups in Lebanon and other Arab capitals.

#### **Deeper frustrations**

... from the vantage-point of the largest sectarian communities, the Palestine question only cloaked deeper frustrations and

fears. The Shia, demanding protection from Israeli attacks, challenged the viability of a system which regarded indifferently their economic welfare as well as their physical fate. The Sunni Moslems, especially the wealthy business elements, viewed their interests as linked largely to the status quo, while others acknowledged the need for some basic political reforms. For their part, the Maronites viewed any hint of change in the provisions of the National Charter as the thin edge of the wedge leading to their ultimate subordination to the Moslem community. And yet each community — Christian and Moslem — implicitly recognized that yesterday's political arrangements were irrelevant to today's realities. Where they differed, as we shall see, was in their respective options for the future.

Paradoxical as it may seem, the efforts to bring about, step by step, a general Middle East peace in the wake of the October 1973 war have contributed directly to the eruption of civil war in Lebanon. The following is a brief descrip-

tion of the international and local dynamics of the crisis.

First, there was the long and tense stage of Secretary of State Henry Kissinger's shuttle diplomacy, which culminated in the second Sinai disengagement agreement in September 1975. Both America and Israel achieved immediate tangible results; by concentrating on Egypt, Israel's largest and most powerful military neighbour, they would avert the prospects of much tougher and more protracted bargaining stemming from a co-ordinated Arab political effort against Israel. The political gains of the agreement for President Sadat were negligible. However, he hoped to win favour for his policy of economic liberalization at home by demonstrating to potential American and European investors that their capital could play a decisive role in building a new Egypt. Some Egyptian observers admit privately that Egypt, in return for the illusory hope of rapid economic development, has, in fact, abandoned its traditional role in the arena of inter-Arab politics and chosen the road of isolationism.

Secondly, the Egyptian retreat into isolationism in effect tacitly supported the American and Israeli aims of similarly attempting to isolate and weaken the Palestinians so they would cease to be an obstacle to a general settlement in the area. Since the Palestinians' expulsion from Jordan in September 1970, their last major base of operations has been Lebanon; yet direct confrontation between the government and the commandos was judged unfeasible. Nevertheless, certain forces in the country, feeling the time to be ripe, were prepared to exploit the Palestinian presence for quite another primary objective, which, if achieved, would contribute as well to the destruction of the commandos as a viable force.

Thirdly, this primary objective, conceived by some Maronite political and military leaders to be the only means of ensuring their community's security in the greatly-altered circumstances in Lebanon, was nothing short of partition of the country and the creation of a Maronite state — the "Republic of the Cedars".

Thus, by the coincidence of favourable circumstances, local and international interests found a common ground for their separate goals: the partition of Lebanon (a) to satisfy the narrow parochial Maronite ends and (b) to achieve the permanent security of Israel's northern frontier. For the Moslem and the smaller Christian minorities, like the Greek Orthodox, the Maronite determination to drag the coun-

try into chaos has turned the future into a Kafkaesque nightmare.

Space does not permit a broad exposition of the international aspect of the crisis. The course of recent events in Lebanon, however, is quite consistent with the "partition thesis", as the following paragraphs attempt to demonstrate.

### Prelude to war

The prelude to civil war was an incident called the "*Protéine* Affair" in February 1975. A private company was being formed that would monopolize the rights of independent fishermen along the Lebanese coast. The company's chairman was Camille Chamoun. The fishermen, mainly Moslem, reacted vigorously by striking and demonstrating in the southern port of Sidon. The Government quelled the disturbances with the army and there were several casualties, including a prominent politician and former parliamentary deputy from Sidon.

The *Protéine* Affair brought Moslem grievances against the system into the open and Prime Minister Rashid Solh's Government came under heated attack. Two main points were at issue. Moslem interests were grossly under-represented in the Government and the army was too heavily dominated by the Maronites. Later in March, 16 Moslem leaders reiterated the appeal for structural changes in the National Charter to curb the powers of the President and create an interconfessional command council to share military leadership with the Maronite Commander-in-Chief. The leader of the right-wing Phalanges (*al-Kata'ib*) Party, Pierre Gemayel, and Camille Chamoun opposed these motions and countered by accusing the Palestinian commandos of interfering in Lebanon's internal affairs by siding with the fishermen against the army. Gemayel called for the termination of the Cairo agreement of 1969 by which the Lebanese authorized the Palestinians to establish commando camps on its territory.

By this manoeuvre the Maronite leaders sought to sidestep the problem of changing the National Charter by dragging forward the Palestinian presence. The main question facing the country was the Phalanges' demand for disarmament. Next, the Phalanges tried to escalate tensions into full-scale conflict. In mid-April, Phalangist militiamen ambushed a bus returning to the Tell Zaatar refugee camp in a quarter of Beirut and killed 27 of the Palestinian occupants. In the ensuing street fighting in the capital (other battles took place in the towns of Tripoli, Sidon and Tyre), over 300 persons were reported killed.

*Sadat's aims  
not political  
but economic*

*Maronite leaders  
see partition  
as only hope  
of community*



A cease-fire was effected and fighting stopped but the life of Premier Solh's government had run its course. In his resignation speech in mid-May, Solh blamed the Phalanges for initiating the violence, and he repeated the earlier call for a greater Moslem share in the army's affairs and an entirely non-sectarian administration. He also stated bluntly that long-standing Moslem residents (i.e., mainly Palestinians) should be granted Lebanese citizenship.

The Phalanges recognized clearly that the pressures for change would increase. The longer could ties of co-operation hold, the longer the feudal interests of the ruling élite would last, since changes would result in the annihilation of Maronite political parity within the confessional system. Hence, the Phalanges concluded, the existing confessional system must be destroyed — not by replacing it with a secular democratic state but by preserving the very essence of confessional relations within the bosom of a single factional entity.

#### **Military government**

President Franjieh's answer to the crisis was to appoint a military government, while at the same time the Phalanges tried to embroil the Palestinians in another round of fighting. The military government collapsed under a hail of protest from the Moslems after only three days in power. Meanwhile, Yasser Arafat, leader of the PLO, warned the Phalanges that, while the Palestinians did not want to enter a purely Lebanese political crisis, they would not permit a second "Jordanian" being opened against them.

President Franjieh next instructed then-times-Prime-Minister Rahid Karameh to form a government of reconciliation. Four weeks later, on July 1, he finally succeeded in putting together a seven-man emergency cabinet.

Throughout the summer, residents of many mountain resorts in Lebanon could hear the constant crackle of gun-fire as private militia groups trained in preparation for a resumption of the fighting. Pierre Gemayel's Phalanges were the best and best organized and disciplined militia, which also had gained combat experience in the 1958 civil war. Kamal blatt, leader of the Druze community, a man not given to making rash statements, publicly charged the President with channeling weapons and ammunition from army stores into the hands of the Phalanges. That the President is deeply involved in the Maronite cause is scarcely contested, since his own

son, Tony, leads another militia group called the Zgharta Liberation Front. Camille Chamoun, too, possesses a strong militia, while many Maronite army officers have been given their "annual vacations" to train the various militia groups.

On the Moslem side, two main groups bore the brunt of the early fighting, though they were smaller and not as well equipped as their Phalanges opponents. One militia group, al-Murabitun, is headed by Ibrahim Alaylat, a young man with a shady past who has become a hero of the Moslem streets. A second group, founded by the Shia religious leader Imam Musa Sadr, has been employed mainly in defence of the poorer Shia quarters, which have been heavily attacked by the Phalanges.

According to a survey conducted by the Beirut newspaper *al-Anwar*, fighting in Lebanon between mid-April and early July had taken a toll of 2,300 dead and over 16,000 wounded. Some say these figures are exaggerated, but no one is prepared to say by how much. In any event, it was merely a preview of the violence to come, which erupted in mid-September.

*April violence  
a prelude  
to September  
eruption*

#### **Escalation**

In the latest round, the scale of fighting has escalated beyond all expectations; mortars, machine guns, rocket-launchers and recoilless rifles comprise the armoury of the best-equipped militia. Moreover, millions of dollars are available in the country with which to purchase arms, mainly of Russian make. One of the most remarkable features of the civil war has been the continuing strength of the Lebanese pound against other foreign currencies, indicating a tremendous inflow of funds from the outside.

According to what a former adviser to Pierre Gemayel reported to this writer, the Phalanges plan in this round was to achieve the *de facto* partition of Beirut by military force. Moslems living in predominantly Maronite areas like Ashrifiyya were driven out and their homes destroyed. Commercial quarters where Moslem shopkeepers rented from Christian landowners were also destroyed; such was the fate of Suk Sursuck and Suk al-Khadra. The Phalanges objective was to divide the city by a line running from the port eastward to Mount Lebanon, whence they could secure the northern areas of the country, where the majority of Maronites live. With this accomplished, the creation of a Maronite state might become a reality. The Phalanges have, however, encountered much stiffer resistance than anticipated and have consequently suffered heavy



losses. Neither more nor less than any other group are they able to influence decisively the course and pace of events.

The traditional political leadership has proven incapable until now of finding the path of reconciliation, although Prime Minister Rashid Karamah has emerged in the crisis with a heightened measure of prestige. He succeeded in bringing together the spokesmen of various groups in a National Dialogue Committee. The Committee's deliberations were quickly deadlocked by two vigorously-opposed viewpoints. The Phalanges and their supporters insisted upon the primary importance of restoring security in the country, which was generally acknowledged to mean curtailing the strength of the Palestinians. The opposing view was that security would

be best ensured if reform of the political system was legislated as a first step. Maronite leaders have made it clear that no changes in the National Charter are acceptable, but only discussion of minor "reinterpretations". The Committee has been unable to break the impasse and the efforts of intermediaries like the Vatican emissary, Cardinal Bertoli, and the French diplomat Couve de Mourville have, at the moment, proved futile.

The dilemma of every rival faction in Lebanon, and, indeed, the tragedy of Lebanon itself — seems best illustrated by the fact that an estimated 150,000 men are in the army throughout the country, roughly ten times the number in the national army. In the present balance of forces, there can be no winners, only losers.

## The choice for Portugal: reformation or revolution?

By Charles David

Faced with a constantly shifting scene in Portugal, it would be foolhardy to make any hasty projections — especially since events in that country have clearly shown that there, as elsewhere, appearances do not necessarily reflect reality. Several visits to Portugal since what has been called the "Flower Revolution" have taught me to be wary of "definitive interpretations" of the Portuguese political situation, especially when the hopes expressed by some and the regrets expressed by others form the basis of such interpretations. This article is intended to be nothing more than a simple statement of facts placed in their context.

In order to grasp the nuances of this revolution and to explain in depth its different stages, it is practically indispensable to place April 1974 in its proper per-

spective, for the erroneous view of events taking place in Lisbon and in the north of the country is, in fact, the result of a series of persistent misunderstandings — willful or unconscious.

### Primacy of the army

There is a tendency to forget that the exemplary success registered on April 25, 1974, which was to put an end to 48 years of fascist dictatorship, was primarily the result of a military *coup d'état* carried out by a minority of highly-politicized officers who succeeded in convincing a number of brother officers of the justice of their cause and in quickly winning over extreme-right elements in the army. This primacy of the army on the political scene in Portugal explains why the political situation is simply a reflection of the dividing-lines running through a now-fragmented army. Power in Portugal has, in fact, become the prize in a game played by different military factions manoeuvring with the support of political parties.

The events of April 1974 have left their mark on the development of political parties as well, for while the military *coup* was greeted joyfully by



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ulation and received the support of  
ies that had been driven underground  
of their exiled leaders, the fact remains  
t the origins of this successful opera-  
were completely foreign to the people  
the parties. The people, who could not  
e expected so much, particularly from  
army that was the mainstay of the  
azar and Caetano regime, were content  
applaud the *coup*, without trying too  
d to understand it or to fathom the  
steries of the future.

### The party game

reaction, the leaders of the political  
ies, with their firmly-rooted traditional  
ys, went no further than engaging in  
e-scale manoeuvres to cripple the  
ngth of the Armed Forces Movement  
their own advantage and to seize power.  
e propaganda machines of all parties  
not fail to exploit the political aspects  
he situation that supported their argu-  
nts, to the detriment of their opponents  
hus revealing the true purpose of their  
ons. This gave rise to the various  
os, or, more exactly, attempts to seize  
er by different political forces: perma-  
tly, in the case of the Communist Party  
lvaro Cunhal; through legalistic means,  
he case of the Socialist Party of Mario  
rès; and, in the case of Emilio Guer-  
o's Popular Democratic Party, by a  
nitive overthrow of the situation pre-  
ing since April 25, 1974.

Portuguese political life was for a  
g time — indeed still is — centred on  
elections held on the first anniversary  
he April 1974 *coup*. The results are well  
wn: the Socialist Party, with 34.87 per  
t of the votes cast compared to 12.53  
cent for the Communist Party, came  
the big winner. For many people the  
ter was settled — the Portuguese people  
rendered their verdict.

However, no amount of well-placed  
aganda could completely veil the  
per meaning of these elections, which  
x place, indeed, in a climate of honesty  
integrity noted by all the parties in-  
ved. It is, in fact, forgotten that the  
il 1975 elections were held with the  
purpose of choosing the members of  
nstituent assembly, and not to set up  
gislative assembly that would result in  
ormation of a government. Moreover,  
he rush of events of March 11, 1975,  
h led the former President of the  
ublic, General de Spínola, along with  
e of his supporters, to seek exile and  
oved the CDS from the election slate,  
leaders of the Armed Forces Movement  
the fifth provisional government, led  
General Vasco Gonçalves, had demand-

ed — and obtained — agreement on a poli-  
tical platform from all the political move-  
ments involved in the election battle.

Among other provisions, this platform  
gave the Armed Forces Movement the  
right of veto, lasting from three to five  
years, over the choice of individuals who  
would occupy the Presidential seat and the  
position of Prime Minister, as well as the  
right to oversee the political development  
of the country.

It is indisputable that this AFM  
manoeuvre, while allowing the military to  
keep control of the situation, especially  
suited the Communist Party, which, be-  
cause of its superior organization, had  
chosen from the beginning of the affair to  
take up the cause of the most politically-  
committed officers without restriction.  
This strategy was to prove in the short  
run to be both profitable and disastrous.

### Communist influence

Until the fall of the Gonçalves Govern-  
ment, the Communist Party had acquired  
a political influence out of proportion to its  
popular support. However, this dispropor-  
tion, which was very evident in the control  
of the information media in the capital,  
was the main target of an offensive led by  
the Socialist Party and right-wing forces  
to put an end to what they called “the  
Communist Party’s plan to set up a dicta-  
torship in Portugal”. It was the *Républi-  
ca* episode which set in motion the victorious  
move against General Gonçalves.

The facts are well known. *Républi-  
ca* was a socialist newspaper that had taken  
enormous risks under the fascist dicta-  
torship; from the time the election results  
were announced, it had waged an un-  
ceasing, open struggle against the coalition  
government of General Gonçalves. Dissen-  
sion broke out in the ranks of the news-  
paper staff. The compositors, who were  
Communists, demanded the right to dis-  
cuss, and even question, the editorial policy  
of the newspaper’s management. The re-  
fusal that came from Raul Rego, editor-in-  
chief of the paper and a member of the  
managing committee of the Socialist Party,  
touched off an open battle. The composi-  
tors took over the paper and expelled its  
management.

Describing what he called a “charac-  
teristic violation of freedom of the press”,  
resulting from a decision by the Revolu-  
tionary Council to appoint a military  
administrative commission to run the  
newspaper as a means of settling the con-  
flict — in favour of the printers, to be  
sure —, Mario Soarès left the Government.

It was, in fact, the *Républi-  
ca* affair, following the takeover by the Communist

*Newspaper took  
enormous risks  
under fascist  
dictatorship*



*Transformation  
of state apparatus  
the goal of  
Armed Forces  
Movement*

Party of the *Inter-Syndicale*, with backing from certain military groups, that touched off the powder-keg. But behind this decision by the Socialist Party lay the threat of institutionalization of popular-based organizations, recommended by the Armed Forces Movement with a view to nothing less than a basic transformation of the bourgeois structures of the state apparatus.

Furthermore, this institutionalization plan made no mystery of its objectives, and stated that it would progressively substitute for the existing framework a popular-based apparatus that would control all the levers of power and sanction the predominance of popular organizations associated with the armed forces. In other words, the frequently-heard slogan "AFM-People's Alliance", promoted through the offices of the Fifth Division and by "cul-

tural dynamization" teams, imperilled the existence of political parties, beginning with the Socialists.

Thus the battle had begun, and is going on. From this point on, the Portuguese army is no more, but rather appears as a number of factions, each with a degree of civilian support.

Ultimately, the question to be determined here is whether the Portuguese society of the future, which has been in process of creation since April 25, can better — so far as it wishes to offer — a new alternative to a people floundering under-development — ensure its survival through the slow processes of reform embodied in the principles of parliamentary democracy or through the brutal distortion of revolution, with all its excesses and its uneven triumphs.

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### *UN's seventh special session*

## Turning-point in dialogue with developing countries

By David S. Wright

It is now several months since the seventh special session of the UN General Assembly completed its work. That session will be judged by, and its impact felt through, a change in the climate for dialogue between rich and poor countries and for negotiation on the issues of a New Economic Order rather than the specific language of its omnibus resolution. The language agreed upon at the special session is important, but represents a point in time on a continuum of events. This vocabulary will gradually, issue by issue, be overtaken by subsequent action. The nature of such action may, however, be determined in large part by the atmosphere generated by the seventh special session. If it is, the seventh special session will prove to have been an important turning-point in relations between developed and developing countries.

Negotiations at the seventh special session were carried on in a far more effective manner than those of the sixth special session in April 1974. At the earlier session, unreasonable ultimatums put forward by radical members of the Third

World were met with stiffened determination on the part of some Western industrialized states not to concede their positions on virtually all the major issues. The result was a standoff and an ill-conceived consensus, a declaration and program of action adopted without a vote but without the political will to implement on the part of those in the best position to do so. Any euphoric reaction to the result by members of the Group of 77 (now approximately 100 developing countries) gave way in time to a realization that such paper victories were hollow indeed if they did not produce concrete benefits for developing countries. It was argued at the time that, by alienating some of the most powerful developed nations, the Third World had done serious harm to its cause.

### **Productive negotiations**

At the seventh special session, more reasonable demands by developing countries for a more forthcoming approach from developed countries, and serious and productive negotiations were all in evidence.

*Atmosphere  
generated by  
special session  
will determine  
future action*



most notable was the leadership given by the moderate developing countries to the Group of 77 as a whole, and the significant advance in the position of the United States. There was less rhetoric, as formal statements were uncharacteristically responsive to the interventions of other speakers and addressed the basic economic issues on the agenda. Political will on the part of both developed and developing countries to reach a genuine consensus was the dominant feature of the session.

Why this fundamental change over 18 months? There are several important reasons. First, the sixth special session did have one positive effect. It brought the economic issues between developed and developing countries into the political spotlight. The notion of a New International Economic Order gave some conceptual coherence to the myriad demands that developing countries had been making for years. Political leaders focused on these issues in the context of a New Economic Order more than they had in the past. On economic issues, the New Economic Order was all-embracing, and many leaders in the developed world called for a thorough review of policies related to it. In this process of study and review, the seventh special session became oriented towards the resolution of some of the outstanding problems. Thus a timetable for the evolution of policy in important developed countries was established.

Second, the situation in the Middle East improved. While the sixth special session was called in the aftermath of the October 1973 war and the subsequent oil embargo and major oil price increases, the seventh was convened shortly after a further disengagement accord between Israel and Egypt and a period of relative calm in the area. The atmosphere at the UN has so often in the past reflected the situation in the Middle East. Between the two special sessions, the UN as an institution had been severely tested — on the Palestine issue and during the “tyranny-of-the-majority” debate. By September 1975, when the seventh special session was convened, the air had been cleared and the climate had cooled to a point that permitted deliberations on economic issues between developed and developing countries without the intrusion of the Middle East or other purely political issues into the debate.

#### AU summit

The summer summit in Kampala of the Organization for African Unity played a major role in this process. African countries did not reach agreement on an Arab

initiative to expel Israel from the UN. Such a move, had it taken place at the seventh special session, would have destroyed all hope of progress on the economic issues before the session. The African countries had been willing in the past to go along with Arab political demands (e.g., the severing of diplomatic relations with Israel) in the hope that they would gain substantially through aid from the newly-rich oil-producers. Their expectations of major aid flows from OPEC were not met and many saw their development problems exacerbated by high oil prices. Several of the African leaders were unwilling to accept the consequences of an attempt to expel Israel from the UN, in view both of their relations with the United States and of the survival of the UN as an institution that could bring them important political and economic benefits.

A third reason for the change in atmosphere was the world economic situation and the awareness by developing countries that continued inflation and recession in the Western industrialized world would have a damaging impact on them. Their exports to Western markets were in jeopardy, and there was danger of a reduced capacity of aid donors to provide development assistance. A general deterioration of the international trade and payments system, it was seen, was certainly not the straightest path towards the reform of that system, even though such reform was badly needed. While the radicals among the Group of 77 continued to press for a revolution in the international economic system, the moderates saw the danger of straining the system too much in its present fragile state.

#### Awareness of interests

There was, too, during the 18 months between the two special sessions, a rethinking of national interests on the part of many members of the Group of 77.

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*Danger  
from continued  
Western inflation  
recognized*

In 1973 and 1974, it had seemed that the political solidarity of the Group was more important than the taking of positions based on an assessment of national interest regarding individual economic issues. Developing countries judged that national interest was best pursued through political solidarity. This decision grew in part from the hope of emulating the success of OPEC with respect to other raw materials produced by developing countries. Solidarity paved the way to successful leadership by the more radical and outspoken proponents of a New International Economic Order, such as Algeria.

During 1975 there were clear signs of cracks in Group of 77 solidarity. The national interests of developing countries are in certain cases diametrically opposed — between, for example, exporters and importers of the same commodity. Many other commodities are not amenable to the kind of cartel action taken by OPEC, because of the possibility of substitution, the range of countries producing them, and the nature of such commodities. Careful analysis of the provisions of the New Economic Order, as defined by the sixth special session, shows that benefits would accrue largely to the middle-income developing countries, many of which are rich in raw materials and on the verge of industrialization. There are few provisions that would bring practical benefit to the emerging sub-group of developing countries, the Fourth World — those at a very early stage of economic development, poor in natural resources and most seriously affected by rapid increases in food and oil costs.

Those countries were aware that they would continue to need massive quantities of development assistance from developed countries if they were to make economic progress. They were also aware that they had no interest in confrontation with traditional aid donors over issues whose resolution would bring them little in the way of concrete benefits. The middle-income developing countries, already receiving smaller portions of development assistance from developed countries, whose attention was focused increasingly on the poorest countries, were willing to downplay aid and concentrate on economic reforms that would benefit them. The poorest countries were not yet in a position to take that step. Thus, while solidarity among developing countries permitted radical leadership in 1974, the more explicit divergence of views among these countries in 1975 resulted in more moderate leadership, which reflected the balance of interests within the Group of 77.

The new moderation among developing countries called for an expression of the political determination of developing countries, despite their serious economic difficulties, to take progressive positions on the issues of the New Economic Order. The political prominence of the New Economic Order debate within and among developed countries, coupled with the timing of the seventh special session, held in a period of Middle East calm and full 18 months after the sixth special session, opened the way to much more positive positions on the part of the representatives of developed countries. The issues had been carefully studied during the 18-month period, and it was generally recognized at a high political level among developed countries that important steps had to be taken to cope with Third World problems if tragedy and confrontation were to be avoided.

The overriding instruction many delegations took with them to New York was to reach an agreement, if necessary at the cost of reassessing some positions of principle that had been firmly held in the past. There was a strong political will to succeed, and to be seen to succeed. Even countries that were not directly involved in the substantive negotiations, such as the U.S.S.R., which took the view that the issues were between the developing countries and Western industrialized countries only, did not inject the usual extraneous elements into the debate and thus facilitated the process of reaching agreement.

### Negotiating groups

A final factor that led to the success of the negotiations at the seventh special session was the way in which the negotiations themselves were conducted. The subject matter was broken down and distributed to small negotiating groups. When an impasse was reached on a specific issue, the main spokesmen for conflicting points of view met privately to see if their differences could be reconciled. This process was made more effective by the presence in New York of negotiators with great expertise in their respective economic fields and a political commitment to reaching agreement: Mr. Perez-Guerra of Venezuela, Mr. Lai of Malaysia, Mr. Amouzegar of Iran, Mr. Enders of the United States and Mr. Hijzen of the European Economic Community). The redoubled efforts of these negotiators included almost continuous private meetings during the last hours of the session.

The package that emerged from the seventh special session was in the form of

*Few provisions  
would benefit  
emerging  
sub-group*



lution with seven sections: (1) international trade; (2) transfer of real resources financing the development of developing countries and international monetary reforms; (3) science and technology; (4) industrialization; (5) food and agriculture; (6) co-operation among developing countries; and (7) the restructuring of the economic and social sectors of the international system. The first two are the most substantive, and they were the most difficult to negotiate. The most controversial issues were familiar to seasoned negotiators: in and observers of international economic forums: an integrated approach to commodity agreements; indexing; preferential access to developed-country markets; movement of industrial capacity from developed to developing countries; target rates for official development assistance; a link between aid and Special Drawing Rights; international monetary reforms; increasing power in international financial institutions; and a world food-reserve system. The language that was finally agreed on for these issues did not resolve the outstanding problems in each area, but it did provide a common ground between developed and developing countries as a basis for further detailed work.

The process of guiding the evolution of the international economic system has now returned to more specialized bodies. The results of the seventh special session, the commitments made there, must have a substantive impact in these bodies. Individual commodity councils, the Conference on International Economic Co-operation (a producer-consumer conference that began its work in December in Geneva), UNCTAD and its committees, the continuing multilateral trade negotiations under the GATT, and discussions in the International Monetary Fund — each will be the focus of detailed negotiation on certain aspects of the international economic system. The issues touched on at the seventh special session will be dealt with in depth in these forums. The progress made in each of them will be a measure of the degree of success really achieved at the seventh special session.

#### **Multilateral responses**

Governments in developed countries will respond unilaterally through their programs of assistance to the Third World.

The further industrialization of developing countries is an essential element in any concerted attack on the disparities that divide rich and poor. In shaping the world of the 1980s, we must aim to bring about faster and more balanced industrial-

It is apparent that, for many developing countries, particularly the poorest, external assistance will continue to provide an important contribution to their economic and social development and will continue to constitute, from their standpoint, the most important component of the New Economic Order.

The challenge ahead is to preserve the momentum and the political will generated as a result of the seventh special session for strengthened co-operation between developed and developing countries. This challenge will be all the more difficult to meet in the present uncertain economic conditions. Developed countries may face domestic political pressures to focus attention and resources more on their own economic problems than on those of developing countries. The problem, for example, of meeting the 0.7 per cent of GNP (gross national product) target for official development assistance is infinitely more difficult while a country is struggling with domestic inflation, recession and restraint in government spending.

For some developing countries the challenge will lie in accepting the responsibility that comes with emergence to a position of economic power — as, for instance, in the cases of the members of OPEC (the Organization of Petroleum-Exporting Countries) and major producers of other crucial commodities. For others, the challenge will be to redistribute wealth within their own boundaries to a vastly greater degree and to shift their priorities so as to bestow the benefits of economic and social development on the poorer sectors of the population.

The seventh special session will make its impression on the world through the unilateral actions of governments and through multilateral negotiations aimed at improving specific sectors of the international economic system. The magnitude of the challenges facing governments is unprecedented. The need for success is greater than ever before. The consequence of inadequate or misdirected action are global instability of a kind that could seriously damage the quality of life for all human beings. Man has a chance to raise his level of civilization further on a global basis or to see it sink towards an uncertain future.

*Challenge  
is to preserve  
momentum  
and political will*

*Unprecedented  
magnitude  
of challenges*

ized growth in the developing countries. We recognize that developed countries must contribute to this process.

*Extract from a statement by the Honourable Allan J. MacEachen at the seventh special session of the United Nations.*

# Canada's forces take stock in Defence Structure Review

By C. J. Marshall

Last November 27, in a statement to the House of Commons, Defence Minister James Richardson announced a series of Government decisions culminating a year-long review of Canadian defence policy. Technically, these decisions altered neither the form nor the substance of existing policy, but they are likely, nevertheless, to become a major landmark in Canada's approach to international security problems and related foreign policy issues.

The process that led to Mr. Richardson's statement began in the fall of 1974. The extensive stock-taking and soul-searching involved became necessary when it was realized that, with no major equipment purchases for almost ten years, and insufficient resources to meet day-to-day operational needs, the Canadian Armed Forces were approaching the point where they could no longer carry out effectively the tasks assigned to them, either at home or abroad.

## Formula financing

The genesis of the immediate problem dates back 18 months. In the summer of 1973, in an attempt to provide much-needed stability for the defence program, the Government had approved a formula-financing approach for the budget of the Department of National Defence. According to the arrangement, the budget was to increase each year for a five-year period at

a predetermined rate, thus providing a basis for sound management, personnel planning and equipment acquisition. Unfortunately, the rate of annual increase set at 7 per cent — was struck in mid-1973 in the days before the advent of double-digit inflation. In retrospect, it seems hard to believe, but at the time the 7 per cent annual increase was expected not only to cover inflationary increases in day-to-day costs of the Armed Forces but also to permit a much-needed increase in the resources available for capital equipment.

By the time the new budgeting arrangement had been publicly announced in the fall of 1973, however, the inflationary spiral had begun to speed up. Costs were increasing at an annual rate of 12 to 15 per cent, and the Defence Department soon found itself in a losing battle to make ends meet. In the short run, the only course open was to adopt a program of rigid economies. The strength of the Armed Forces was cut from the approved level of 83,000 to 78,000, operational and training activity was curtailed and spending on equipment and construction was severely reduced.

This approach could provide only temporary relief, however, because several years of lean budgets had already left the defence establishment with little fat with which to sustain itself until better days came. A substantial increase in the defence budget could be achieved only at the expense of other government priorities, and was unlikely to be generally popular. The only alternative, however, was to reduce the Armed Forces substantially and relinquish certain of the tasks they were performing at home and abroad. Even though it was implemented for practical rather than philosophical reasons, such an approach would have produced a major realignment of Canadian defence policy with widespread domestic and foreign policy ramifications.

To provide a basis on which to make the difficult decisions required, the Government initiated in December 1974 a study

*Capacity to carry out assigned tasks in jeopardy*

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that in due course became known as the Defence Structure Review. Its terms of reference specified that the basic elements of the policy set out in the 1971 Defence White Paper were not in question. Nor were the four primary roles of the Armed Forces — sovereignty protection, North American defence, NATO and peace-keeping. The questions to be answered were not “what” but rather “how” and “how much”. Since the resources devoted to defence would have to be limited, what were the tasks that the Armed Forces should be asked to perform in the period ahead and how many men and what equipment were needed to do the job satisfactorily? The study was to determine if certain current tasks were redundant and could be eliminated. It was also to establish whether, in the evolution of affairs at home and abroad, there were new tasks that needed to be performed. Finally, the resources necessary to carry out the tasks agreed on would be calculated and the government would have to decide in the light of its other priorities if they could be provided.

The bulk of the detailed work for the review was done by officials of the Defence Department, the result being submitted to the Cabinet by the Minister of National Defence. However, since the decisions to be made would have widespread implications for a number of areas of government policy, representatives of the Privy Council Office, the Department of External Affairs and the Treasury Board were involved at all stages. The Department of External Affairs was requested to prepare an “overview paper” to provide an appreciation of the international environment in which the decisions taken would have to be carried out.

Throughout the postwar period, Canada had been a staunch supporter of NATO's collective approach to defence, a partner with the U.S.A. in the defence of North America and the largest single contributor to UN peacekeeping projects. The issue facing the Government was whether Canada should continue substantial participation in these various aspects of international security. To do so would be expensive, because it would require the maintenance of Armed Forces of a certain size and because, in many instances, the equipment and training necessary were different from those needed for domestic Canadian purposes.

The initiation of the Defence Structure Review at the beginning of 1975 brought reactions of interest and concern from many of Canada's allies. Since the government had completed a fundamental

re-examination of defence policy as recently as 1971, it was not clear to the allies what purpose the new review was intended to serve, unless it was simply to provide a rationalization for further cuts in the defence program. Through normal diplomatic contacts, through ministerial visits to Ottawa and during the Prime Minister's trips to Europe, the message was clear. Canada's friends hoped and expected that we would continue to make a contribution to international security commensurate with our abilities and resources. From the strength and frequency with which such views were expressed it was soon clear that the outcome of the Defence Structure Review would be as important for foreign policy as for defence.

One foreign policy issue of particular concern was Canada's future relations with the European Community and the efforts to negotiate a “contractual link”. At no time was a formal connection ever made by members of the Nine between our continuing role in NATO and our evolving relations with them. It was difficult, however, for concerned Canadians not to assume that such a link must inevitably exist. It was hard to imagine how we could expect the Europeans to respond positively to our request for a special relation with them if our interest in an issue as vital to them as European security was not sufficient to warrant continued Canadian participation in NATO's collective defence arrangements for Europe. The impact of decisions in the defence field on Canada's relations with the United States also had to be taken into account.

There were, of course, many other issues to be evaluated. How did Canada regard the international security situation? What obligations and opportunities did Canada, as a North American country and a middle power, have to contribute to the handling of present and future problems? How could these activities be reconciled with evolving domestic requirements? What priorities should be attached to these matters in relation to other government programs? What kinds of armed force were needed, and how should they be “structured” and equipped?

### Five questions

By the time the basic work of the review had been completed, it seemed increasingly clear that there were five specific questions on which ministers would have to focus: (a) Should Canada continue to station forces in Europe in peace-time and, if so, what kind of forces? (b) What kind of combat capability should Canada have in the maritime field, either

*Impact of NATO  
contribution  
on search for  
contractual link*

for national purposes or as a contribution to collective defence? (c) What were Canada's requirements in the field of air defence? (d) Apart from any forces it stationed in Europe, what other forces should Canada maintain for domestic and international contingencies? (e) To what extent should Canada contribute to UN peacekeeping activities?

The answers to these five questions would establish the size and character of the Canadian Armed Forces, the equipment they would need and the resources necessary to make them effective. Equally important, the answers would collectively constitute a major determinant of Canadian foreign policy for the future, since they would affect our relations with 14 friends and allies in NATO, play an important part in our relations with the U.S.A. and have an impact on our status in the United Nations.

By the time the analysis had been completed, the issues weighed and the options considered, certain basic points had emerged. The first of these was the recognition that well-trained and well-equipped armed forces had a unique capacity to serve a wide range of Government interests. It would clearly be contrary to the national interest, and poor economy, to let the Canadian Armed Forces run down to the point where they

could no longer be an effective instrument of Government policy.

The second point was the appreciation that there were certain tasks of a purely national character — whether protecting Canadian fishing interests or reinforcing Arctic sovereignty — that could best be performed by personnel with the discipline, specialized skills and equipment characteristic of the Armed Forces. If such forces were not maintained for other purposes, they would still be needed to meet these national requirements.

Thirdly, it seemed clear that, despite the change in emphasis in East-West relations from confrontation to *détente*, both Western security and the possibility of effective negotiations with the U.S.S.R. to reduce tensions would continue to depend for the foreseeable future on the maintenance of a rough balance of power. All available evidence confirmed that the Soviet Union was continuing to build up its military strength and that the West had little choice but to maintain its own security arrangements. This situation could be regretted but it could not be ignored.

Related to this was the appreciation that a range of vital Canadian interests remained inextricably intertwined with those of Western Europe, as well as with those of the U.S.A. A Western Europe frag-



*Part of the updating of the Canadian Armed Forces will be the acquisition of new equipment. While no decision has yet been taken on the replacement of fighter aircraft it was decided to purchase 18 Lockheed P3 long-range patrol aircraft to replace the aging Argus. The new CF-LRPS, shown above, is scheduled for delivery in 1979-80, and will operate on both coasts.*



ented and at least partially subordinated Soviet political influence could have the most profoundly negative implications for Canada. Not the least of these would be to make Canada a junior partner with the U.S.A. in a "Fortress-America" approach to international security problems. The maintenance of security arrangements designed, among other things, to defend the freedom and integrity of Europe was a vital Canadian interest.

Finally, it was accepted that, if Canada continued to subscribe to the collective approach to security and to benefit from it, we should have to be prepared to carry a share of the common defence burden that was fair and reasonable — both from the Canadian perspective and from that of the other participants. The notion of a "free ride" might have superficial attraction but it was an unworkable basis for an effective defence and foreign policy and contrary to the postwar Canadian approach of pulling its weight in international affairs.

The inevitable logic of these considerations and the consequences flowing from them are underlined by the fact that the difficult decisions reached by the Government in November 1975, with their significant financial implications, followed by only a few weeks the announcement of the government's anti-inflation program, with its general requirement to minimize new spending.

## **Belt out**

The practical results of the conclusions reached by the Government in the course of the Defence Structure Review were set out in Mr. Richardson's November statement. It was decided, in the first instance, that, to enable the Canadian Armed Forces to perform the various tasks that would be required of them, a combined force of approximately 100,000 personnel would be maintained, made up of 70,000 regular personnel and 22,000 reservists. Such a force would be capable of protecting Canadian sovereignty and internal security, contributing to international security, and providing timely reaction to civil emergencies.

It was further decided that Canada would continue to maintain a mixed land and air force in Europe and that, to ensure the continued effectiveness of the land element, modern tanks would be acquired as quickly as possible, either by "etrofit" or by the acquisition of new ones. The air element of the force would be maintained at its present level and, while no decision was taken regarding the replacement of the current fighter aircraft

with which it is equipped, the necessary technical study of the various options is to be initiated early in 1976. These decisions, which were welcomed by Canada's European allies and by the United States, constitute an acceptance that the first line of Canada's defence is in Europe; that, though a North American country, it is appropriate for Canada to contribute to the defensive arrangements for Europe; and that, to do so effectively, the Canadian Armed Forces must have the necessary modern equipment.

It was agreed that Canada would continue to make a meaningful contribution to Alliance and North American defence arrangements in the maritime area and, with this end in view, it was decided to acquire a fleet of 18 Lockheed P3 long-range patrol aircraft to replace the aging *Argus* that has been in service since the late 1950s. When these new aircraft become available, Canada will probably have the most effective long-range maritime patrol capability in the world. One of the important considerations in the decision to replace the *Argus* fleet was the recognition that a new aircraft, in addition to contributing to collective defence arrangements, would provide a much-improved capability for protecting Canadian sovereignty interests in coastal waters and in the Arctic. Although no immediate decision was required with regard to the renewal of Canada's fleet of naval vessels, it was recognized that decisions in this area would be required in due course, and a detailed study of the considerations involved in a replacement program is also to be initiated in 1976.

In terms of North American air defence, it was decided that Canada would maintain a level of capability needed to meet sovereignty requirements for the identification and control of intrusions into its air-space. The maintenance of this capacity will, in due course, probably require the provision of a new fighter aircraft, which, it is hoped, might be met by selection of a new aircraft to be used both in North America and in Europe.

In addition, it was decided that the future structure of the Canadian Armed Forces would provide for up to 2,000 personnel to be available for United Nations peacekeeping purposes at any one time, thus ensuring that Canada would retain the capacity to be a major contributor to United Nations peacekeeping activities.

## **Resources provided**

Most important of all perhaps, the Government accepted the need to provide the resources required to equip the Armed

*Detailed study of naval requirements to be initiated*

Forces appropriately and to enable them to operate effectively. To this end, it was agreed that each year for the next five years the operating portion of the defence budget would be increased by the amount needed to compensate for inflation. At the same time, capital expenditures would increase in real terms by 12 per cent a year until they reached at least 20 per cent of the total defence budget.

Mr. Richardson's announcement brought to an end 12 months of uncertainty and concern about the practical implementation of what was, in effect, accepted Canadian defence policy. For Canadians, the decisions gave substance to the Government's continued acceptance

that Canada's security needs and foreign policy interests were best served by continuing to participate actively in Western collective defence activities. This was to be done, however, on the understanding that such activity would be organized so as to ensure at the same time that Canada's domestic security requirements would be adequately met.

For Canada's allies, the decision settled for the period ahead the question of whether Canada would continue to contribute in a meaningful way to collective defence arrangements and, in the process, maintain its traditional role as an effective participant in the common search for international peace and security.

*Twelve months  
of uncertainty  
ended by  
announcement*

### *Of armies and politics*

## Political attitudes to NATO on the Mediterranean flank

By Robert J. Jackson

NATO is in difficulty in the Mediterranean area, and the prospects for improvement appear bleak. The outlook is grave not only because the southern area has become increasingly the scene of conflict but also because the members of the Alliance are experiencing major internal difficulties. Consequently, psychological commitment to NATO among these countries is likely to decrease during the next few years.

The southern flank maintains its historic significance for NATO because it comprises the entire area extending from the Atlantic through the Mediterranean Sea to the border of the U.S.S.R. Within this large geographical tract, defensive installations and intelligence reporting are

of considerable importance to NATO's defensive posture. The strictly military requirements of this theatre have also increased because of the need for American supply routes to Israel and the opening of the Suez Canal — a fact that allows Soviet ships to pass through the Canal to the Indian Ocean and has dramatically increased the volume of Warsaw Pact activity in the Eastern Mediterranean. Political crises throughout the region have also contributed to an unstable hinterland for NATO's Central Europe and caused complications for the political integration of the Alliance. The events of the past three years, particularly over Israel and the upheavals in Cyprus and Portugal, have rocked the foundations of NATO's political unity. On very few subjects has NATO political consultation led to authoritative decision-making of the type that could build support or loyalty towards the Alliance.

Neither military nor foreign-policy differences constitute NATO's most extreme problems with its southern flank. The entire role of defence and the major characteristics of the Alliance during its formative years have been changing. The shared fear of Communist expansion and the goal of Soviet containment have been largely bypassed. The United States

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continues to shelter the West under its nuclear umbrella. The SALT I Agreement and the West German *Ostpolitik* have created a new environment for NATO. Moreover, the symbolic diminution of hostilities between the two blocs represented by *détente* and the 35-nation Conference on European Security and Co-operation has decreased the significance of purely defensive arrangements in NATO. However, while all these points show that the need for defence has been declining, the internal difficulties of the NATO partners have been increasing. Thus NATO is in difficulty in this region for domestic rather than military reasons.

At a minimum, an alliance consists of an inter-state contract and several intra-state arrangements. Intra-state activity eventually spills over into international politics. While little is known about the precise relations between configurations of national attributes and foreign-policy behaviour, we do know that international policies must logically be conditioned by internal determinants and dynamics. Analysis at the aggregate level does indicate that domestic stresses — social change and diversity and internal conflict — are statistically related to subsequent foreign conflict behaviour. The dimensions include such economic indicators as gross national product, unemployment, inflation rate, the size and importance of the military, etc. Political variables include changes of government, elections, shifting coalitions and such conflict variables as upheavals, rebellions, *coups* and their consequences. These gross indicators of social contentment or alienation are presumably mediated by elite political attitudes that combine both domestic and foreign arenas.

### Internal change

In the Mediterranean area, the NATO countries are experiencing major internal change, and a consequent evolution in elite attitudes towards the Alliance is under way. The contrast with the northern members of the Atlantic community is remarkable. In Britain and Germany, for example, there is no single opposition or combination of opponents that realistically advocates a significant evolution in NATO. On the southern NATO flank, the opposite is found.

As of December 1975, events on the Western promontory of the Iberian Peninsula are extreme. Portugal, of course, is of great importance to the Alliance because of the strategic location of the Azores, the coastal ports, and the country's symbolic link with NATO. Moreover, the violent clash of ideas in Portugal could

have a lasting and critical effect on other European countries, in particular France and Italy. Positive attitudes towards change in Lisbon are rife and do not concern NATO alone but every aspect of life. While Portuguese officials continue to argue in international meetings that their country will remain in NATO, the author's research in Lisbon leads to the none-too-cautious prediction that the opposite will take place. It is true that President Francisco da Costa Gomes, military leaders, the Revolutionary Council and the Armed Forces Movement have held stubbornly to a pro-NATO policy. However, the strong leftist tendency within the military as a whole and the Government will not allow the country to remain in NATO forever.

### Attitudes crucial

On the assumption that Portugal is evolving towards a continuous, civilian and democratic government, the attitudes of the political parties that ran for the Constituent Assembly in October 1974 will be crucial to the decision whether or not Portugal remains in the Alliance. Of all the parties that were allowed to contest the election, only the Centre Democrats were positively oriented to NATO as it is currently constituted. The Communists, under Alvaro Cunhal, while campaigning on the theme that the time had not yet come to discuss withdrawal, have never made any secret, in private, about their intention that Portugal should eventually leave the Alliance. The victorious parties in the election were the Socialists and the Popular Democrats, neither of which is committed to the continuation of NATO as it is now organized. Both prefer an evolution within NATO itself. The Socialists believe that, to some extent, their revolution will lead Portugal towards the Third World and away from Europe. While insisting that Portugal must evolve into a democracy such as found is in Western Europe, they are committed, nevertheless, to a foreign policy more "leftish" than that of any other socialist party in Western Europe. Even the more moderate Popular Democratic Party postulates that a new defence arrangement would allow Portugal to adopt a more radical foreign policy. Some PPD leaders would prefer that Portugal and Europe form a European-only defence alliance and others even declare that NATO is not really necessary for the future. This means that the two parties that can be considered most likely to form a government and favour NATO want, at a minimum, a revision in the Charter and in the fun-

*Socialists  
in Portugal  
committed  
to left-wing  
foreign policy*

damental organization of the Alliance. Such a revision may take the form of Portugal adopting the French policy and opting out of the military arrangements, or of leaving the Alliance altogether in order to become an ally of the states of the Third World. NATO commanders in the Iberian sphere of interest may have become "cautiously optimistic" because of the departure of General Vasco Goncalves and the setting-up of the sixth government under Admiral Jose Pinheiro de Azevedo, but the attitudes of politicians and the upheaval in the social institutions are certainly disquieting, if not clearly indicative of a change in Portuguese foreign policy.

If Portugal pulls out of part of the Alliance, it will follow two other southern-flank members that opted out of the military arrangements. Both France and Greece have shown a rigid reluctance to reintegrate their troops in the military structure.

### French objectives

The French decision of 1966 to withdraw from the Alliance appeared to many Canadians to be based solely on General de Gaulle's "politique de grandeur", but in reality it was a continuation of long-term French objectives. The French desire for independence is well characterized by the General himself in his *Memoirs of Hope: Renewal and Endeavour*, where he called the Atlantic Alliance a declaration of principle "under the terms of which our defence and hence our foreign policy disappeared in a system directed from abroad, while an American generalissimo with headquarters near Versailles exercised over the Old World the military authority of the New". While this attitude continued in France, the invasion of Czechoslovakia by the Warsaw Pact nations changed the tone of French hostility to NATO. Moreover, since the withdrawal, arrangements have been made to allow NATO forces to use French communication systems, airways and supply pipelines, and for France to maintain two military divisions on German soil. The impact of its departure from the Alliance has also diminished in recent years because of an agreement with NATO that France would target its weapons on certain pre-arranged geographical areas. But the likelihood of France's increasing its NATO commitment is slim. None of the minority parties — Socialist, Communist or *Réformateur* — is in favour of amending the country's policy. The Gaullists, who are required for any firm cabinet coalition, oppose any significant change in defence or foreign policy. This

means that the only party that could develop a pro-NATO stance would be the Independent Republicans, led by President Valérie Giscard d'Estaing.

The possibility of such a policy shift emanating from the President is not very great. While both Pompidou and Giscard were more co-operative with NATO than de Gaulle, the French attitude remains "We are not an overseas subsidiary". Moreover, Giscard needs to retain a "Gaullist" policy on matters such as defence strategy in order to push through his liberal and economic reforms in France itself. Since the President is elected for seven years, and is the most pro-NATO President conceivable, little evolution towards the Alliance can be expected, and in the event of any diminution of NATO power in the Mediterranean area, France will not be inclined to take up the slack.

NATO officials have generally assumed that Greece will return to the military structure after the present anti-American mood has subsided and the Cyprus affair is resolved. However, interviews with party leaders in that country suggest that this hope is dim indeed. The atmosphere can be depicted as extremely hostile to the West. Even *Estia*, possibly the most vehement anti-Communist daily newspaper in Athens, said during the height of the Cyprus affair: "If the Soviet Union can guarantee (our territorial integrity) let us even go with Russia."

The Government of Karamanlis continues to advocate that Greece should stay out of the NATO military arrangement and that any slack in military preparations in that part of the world should be taken up by another power. Attempts have been made by Greek authorities to secure the frontiers with Yugoslavia and Bulgaria, and Greek military personnel have been moved into the Dodecanese Islands as a protection against the Turks.

The Greek party system is fractured along left-right lines, but the current policies of the individual parties towards NATO have been converging. The Communist Party (Exterior) wants Greece to leave NATO and adopt a pro-East policy. The Pan-Hellenic Socialist Movement (Andreas Papandreu) and the Communist Party (Interior) would like Greece to adopt a neutral attitude towards the Alliance that would allow it to act as a pivot between the Warsaw Pact and NATO. This would indicate that the Centre Union Party, led by George Mavros, would be crucial to any internal evolution in Hellenic attitudes towards NATO. Mavros advocates that NATO must evolve so that Greece will never again join the mi-

Czechoslovakia  
invasion  
changed  
French tone



ary structure of the Alliance. He favours the development of a European defence alliance such as was contemplated at the end of the Second World War but never came into being.

The public and political leadership of Greece is evidently solidly opposed to any compromise with NATO, and therefore it is extremely unlikely that the Karamanlis Government could go back into NATO even if it wished to do so. From a NATO perspective, the best that can be hoped for is that Greece does not move even further from the Alliance. The common Turkish-Greek military planning has been terminated, the new NADGE electronic detection system is no longer secure, but the United States Navy has not been expelled from Greek ports and Greece continues to participate in political consultation with the members of NATO.

### Events in Turkey

Since neither France nor Greece is likely to enter the military alliance again, what is the possibility that the two staunchest southern members of the military organization — Turkey and Italy — will find it acceptable to increase their commitment? Recent events in Turkey leave little hope that this will be possible. All parties in the present Government coalition — Justice, National Salvation, Nationalist and the Republican Reliance — have positive orientations towards NATO. However, the Government's extremely slim margin in the lower house means that it cannot deviate very far from the line set by Bülent Ecevit, leader of the Republican People's party, toward the Cyprus question. The position adopted by former Prime Minister Ecevit was simply that Cyprus was to remain independent from Greece (i.e., no *ENOSIS*) and Turkey (i.e., no *TAKSIM*), but that there were to be two fairly independent administrations linked in one extremely weak confederation. No foreign policy can be established that will deviate very far from this line. On the opposition side, the Democratic Party remains positive about NATO, but the Republican People's Party has considerably more neutralist attitudes than those found in the Government coalition. The fact that Prime Minister Demirel has been able to create a certain loyalty (as possibly shown by the October 1975 Senatorial elections) by his anti-American stand on the embargo of military-arms sales has meant that Ecevit has continually adopted an even more progressive policy than he might have wished. In order to keep the left intact, Ecevit's strategy has

been to evolve a slightly more rigid position with respect to Cyprus.

The fact that all parties favour the present NATO policy is proof that Turkey could theoretically be requested to accept more responsibility for NATO activities on the southern flank. However, as a developing country, Turkey cannot devote a greater portion of its resources to military hardware or to troops for the Alliance. It has already the largest land army in NATO and contributes a large percentage of its low gross national product to military expenditures. One of its major contributions is in providing geographical space for intelligence reporting for American and NATO installations, and much of this territory has been taken away from the Americans because of the arms embargo. At the time of writing, the U.S. has lifted the embargo but no public announcements have been made about whether the Americans will be allowed to resume their earlier defence preparations in Turkey. One position is clear, however — no political party can ask the Turkish public to increase their commitment to NATO. It appears fairly certain, therefore, that a status quo policy towards NATO will be continued.

The last country bordering on the Mediterranean and participating in NATO is Italy. The Italian Government wants to maintain its strong NATO posture, but internal difficulties could reverse this. The Christian Democrats are facing major domestic difficulties and cannot be expected to support publicly a greater role in the Alliance.

The question of Italian involvement in NATO is undebated and at present undebatable. If the subject of NATO were posed directly to the Italian electorate or if this became a matter of concern within the country (for example, if more NATO soldiers were seen throughout the country), the Government coalition could begin to collapse. Neither Liberals nor Republicans would encounter much difficulty entering into a pro-NATO cabinet coalition, but both the Socialists and Social Democrats would quickly have internal dissension over the prospect. Even the Christian Democrats, with two leftist fractions that want the Communist Party to be allowed to enter the present coalition, would find it extremely difficult to form an acceptable policy on this question. Outside the Government, the Neo-Fascists do not give much significance to questions about NATO, and even the Communists do not uphold a strictly anti-NATO position. Signor Berlinguer, Secretary-General of the PCI, maintains that there is no need

*Territory  
for intelligence  
reporting  
reduced*

*Dissension  
would follow  
pro-NATO  
coalition*

for Italy to consider this question. Like the CDP, then, the Communist Party believes that the NATO question is best concealed from the public, especially while the party is advocating "a historic compromise" between bourgeois and proletarian parties. If the Communists should announce that they were in favour of pulling out of NATO, it would upset many pro-European but leftist Italians. On the other hand, if the CDP should opt for a greater role in NATO, it would disturb the left-wing faction of its own party, alienate its coalition partner and possibly cause it to run into difficulties with the electorate. Municipal and departmental elections during 1975 demonstrated a swing of 7 per cent to the left, and this has reinforced the difficulty for any Italian Government of providing a stronger commitment to NATO.

From the above calculations of Government policies, it can readily be appreciated that all five nations on NATO's southern flank are in favour of the status quo. Governments, however, are often the last institutions to reflect policy changes. To understand the evolution of attitudes, analysts must examine domestic political considerations, structures and future changes in cabinet coalitions.

There are interesting patterns within

the party systems of these five countries. Not one political party is prepared to advocate increasing military expenditures or closer adherence to NATO policy. Communist parties throughout the Alliance are either in favour of taking their countries out of the pact or prefer to avoid placing the item on the electoral agenda. Therefore, the formations that could be expected to take a stand on this question are either on the right or composed of socialists or centrists. For reasons explained above, none of the conservative parties wishes to increase its country's role in NATO. In every centrist or socialist party on the southern flank there are negative attitudes towards NATO, or at least a commitment that NATO should change its orientation and structures.

If this assessment is correct, NATO's difficulties in this part of the world will continue to increase, the U.S. will be forced to assert more power in the Mediterranean and, when the future of NATO is finally placed on the agenda for discussion, this part of the Alliance will ask for an adjustment of views about defence and co-operation in the West. The southern NATO members can be expected to ask for more than simply "*détente* management".

*Status quo preferred on NATO'S southern flank*

## *Of armies and politics*

# Peacekeeping guidelines the key to peacemaking

By William Heine

A nation of 24 million in a land so vast that it is difficult to comprehend, Canadians are a singularly fortunate people. We owe it to others to offer more than aid and trade to nations that need help. Usually there is not much time when trouble explodes on the international scene. Canada should be working now, and working hard, to establish better guidelines for future United Nations operations in an effort to edge such ventures from peacekeeping to peacemaking.

If Canada is to carry out effectively, through the United Nations organization, the peacekeeping tasks that Canadian policies, world expectations and experience

have given us in the postwar years, the present relatively passive role of Canadian forces on UN duty should be reconsidered.

That is not to suggest that Canadian peacekeeping troops start knocking together the heads of combatants determined to kill each other. On the contrary, the restraint and coolness of Canadian peacekeeping troops under great provocation is almost legendary, and should remain that way. There is, nevertheless, need for more positive and clearly-defined role than now exists.

A policeman's duties on the streets of Canadian cities provide an analogy. It is not enough for him to be prepared to pu

*Passive role should be reconsidered*



body between combatants and trust that his physical presence will deter their efforts to kill each other. He is expected if necessary to disarm dangerous people who are irrational from emotion, alcohol or drugs. If he does not, he is likely to be hurt or even killed. Worse — as a passive policeman he will be relatively ineffective.

Canadian contingents on UN duty could shift from peacekeeping, which is a passive approach to the UN's responsibility in maintaining an acceptable peace, to peace-making, which is arbitrarily defined as a considerably more active, aggressive approach. Unfortunately, in the modern world as in Christ's time, peacekeepers are not blessed. Indeed, they are abused roundly in many tongues.

### Gaza Strip

In the Gaza Strip, Canadian and other United Nations troops were tolerated by the Arabs. They were actively disliked by the Israelis, who are usually antagonistic towards the United Nations despite their country's having been created by a UN vote. For several years, UN forces kept the peace between Egypt and Israel. When the 1967 war was imminent, UN forces in the Gaza Strip were not given an opportunity to move from peacekeeping to peace-making. The Secretary-General, U Thant, accepted Egypt's demands and ordered UN forces out of the area. Legally, he was entirely correct; in abdicating whatever moral force the UN exercised, however, he was incorrect. Troops on the scene claimed that he "chickened out". His decision left a sudden vacuum between Egypt and Israel. Before the Egyptians could charge across the empty space towards their enemy (assuming they intended to do so, which I believe, though some Canadian diplomats doubted it then and doubt it now), the Israelis took the initiative, first with a devastating air attack, then with tanks, and finally with infantry and occupation forces. That war ended with the Golan Heights, the west bank of the Jordan River, Jerusalem, the Gaza Strip and the Sinai Peninsula in Israeli hands.

The history of the Middle East in the past decade is one of Arab efforts to regain control of the Sinai, the Golan Heights, the west bank of the Jordan, and Jerusalem. It is worth while speculating what could have happened in 1967, and in subsequent years, if UN forces had stayed and been told to shoot back if either side tried to advance. Obviously a few hundred UN soldiers with rifles, machine-guns, jeeps and armoured cars could not stop the massed weight of either Egyptian or Israeli forces determined to go through. Yet, if

UN forces had stayed, it is at least possible that neither Egypt nor Israel would have ignored world opinion and the risk of stronger forces being brought in to hold back the threatened war.

Theoretically, if the 1967 war had not taken place, it would not have been necessary for the Suez Canal to be cleared after eight years of disuse, for Saudi Arabia to devote so much effort to restoring Jerusalem to the Arab fold, for Egypt and Syria to fight the 1973 war, for Syria to be preparing to fight another war as soon as the time is right, or for the United States to be spending billions to persuade Israel to move a few miles back from the Suez Canal.

### Positive in Cyprus

If the UN role in the Gaza Strip was too passive in 1967, it changed for the better in Cyprus in 1974. It was not much commented on at the time, but the UN reaction was much more positive. UN forces stayed on the island. Canadian troops not only remained, they held their lines in Nicosia and to a significant degree influenced the outcome of the Turkish invasion of Cyprus. Canadian UN forces refused to be intimidated either by Turkish Army invaders or by Turkish or Greek Cypriots, which is more than can be said for UN contingents from several other countries in Cyprus. The Canadians rolled up to the Ledra Palace Hotel in jeeps and ensured the safety of several hundred civilians. They braved considerable fire and took several casualties to make sure the Green Line held in Nicosia streets.

In a precedent-setting day of personal effort, involving determination and great personal bravery, Colonel Clayton Beattie (now Brigadier-General) almost single-handedly kept the Nicosia airport out of Turkish hands. Greek Cypriots claim that it was a heroic defence by their troops, which is nonsense. They were pushed out of Kyrenia, Famagusta and scores of villages and would have been pushed out of the airport, and for that matter out of Nicosia itself, if the UN (read Canadian) forces had not stood firm. A measure of the situation round the airport during the war is the report I had from reliable sources,

*Safety  
of civilians  
ensured*

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World Wide Photo

*During the 1974 hostilities on Cyprus, Canadian peacekeeping forces prevented the international airport at Nicosia from falling into the hands of either Greek or Turkish Cypriots. After fighting ended and the island settled into an uneasy truce, a UN observation-post manned by members of the Canadian contingent was set up on the roof of the terminal building. Members of the contingent are shown here reinforcing their observation-force position with sandbags.*

during an October 1974 visit to the Turkish side in Cyprus, that a Turkish battalion commander was replaced for having allowed a Canadian colonel to talk him out of capturing the airport. Several diplomats accredited to the Cypriot Government told me bluntly and spontaneously (and, of course, off the record) that "the Canadians saved Nicosia".

I do not know, and I have not been

able to find anyone who will tell me whether the posture of the Canadian force in Cyprus in the summer of 1974 was a deliberate policy change at the UN, an on-the-spot decision by the United Nations commander, General Prem Chand, or a spur-of-the-moment decision by a Canadian colonel who was merely trying to prevent Turkish forces from encircling and by their fire thereby making un-



able, the UN headquarters on the island which is between Nicosia and the port). Whatever their authority, the Canadians established a precedent in several ways and moved from peacekeeping to peacemaking. That they did so with few casualties reflects their professional competence.

Peacemaking worked in Cyprus. It should work elsewhere if its terms are defined.

### Lesson of Vietnam

Canadian experience in South Vietnam is an example of what happens when terms are inadequately defined. It also illustrates why Canada should develop policies for any future United Nations venture. The South Vietnam role was not under UN auspices, which was one of many things wrong with it, but the lessons learnt from the precedents set are valid in future activities. It may be that such policies have been, or are being, developed in Canada by External Affairs, National Defence and other responsible departments. So, they have kept it to themselves, which is a pity because there is no reason why a Canadian taxpayer should not also know in advance what plans his Government has to spend his money.

The pressure on Canada from the United States and from world opinion to get into Vietnam was great. If there was to be peace in Vietnam, someone was needed there to help maintain it. In the event, few of Canada's conditions were met. However, when then Secretary of State for External Affairs, Mitchell Sharp, had virtually no alternative but to send a Canadian force. Reluctantly, but aware of the hazards of staying, Canada wisely stipulated that, if there was not a meaningful task for Canadians there, its forces would be withdrawn. In Vietnam they were able to do little more than sit in a committee room and argue with Communist nations assigned to pseudo-peacekeeping. Canada took up its position and pulled out — a good precedent.

Obviously, in the present state of international tensions, the United Nations cannot be expected to set up an international police force with sufficient tanks, aircraft, ships, guns and troops to enforce peace during even a relatively minor war. With some 80 of the UN's 141 nations engaged in an Asian-African-Communist race, the assignments given such a force might create (despite the Security Council) more problems than they solved.

It is reasonable, however, for Canada to insist that, in future peacekeeping ventures, UN forces should be authorized to do more than merely stand passively be-

tween the combatants, hoping no one will shoot. They should, for example, be authorized to occupy, as a precaution or in an emergency, such strategic objectives as major airports, radio and television stations, vital roads and railways, and to attempt actively to disengage the forward elements of both combatants.

In Cyprus, UN forces should have been able to encircle Famagusta as the Greeks moved out and before the Turks moved in, maintaining and operating that strategic port. It would have taken several divisions to have prevented the initial Turkish landings at Kyrenia, which would have been impractical, but UN troops that were there should have stayed in position, protecting the Greek Cypriot population from invading Turkish forces. During the 1974 visit, Turkish Cypriots told me that, if Canadians had made up the UN force in Kyrenia and along the coast, the Turkish breakout that captured 40 per cent of the island would have been considerably less successful. Of course, there is no way to prove it now, nor ever will be, but the thought, from Turkish sources, is interesting.

Obtaining approval for a larger, more effective and more-precisely defined mandate under existing conditions of economic, military and political confrontation presents great difficulties. Yet efforts should be made to reinforce such precedents as holding the Nicosia airport in UN hands, to insist on leaving if insufficient authority is given to do the job properly and, in general, to expand the powers of peacekeeping forces. For example, it is not at all impossible, in view of the fighting in Lebanon at the time this article was written, that Syria might invade Lebanon in an effort to divert the attention of its people from its inability to fight Israel without the opening of a second front by Egypt. That would inevitably precipitate a fast move north by Israeli forces, to take Mount Hermon and to clear "Fatahland" of Palestinians, while attempting to establish a defence line along the southern bank of the Litani River.

Foreseeing such a possibility, Canada should be considering now what would be its response to a request for troops to separate Syrian and Israeli forces. Canada should also be considering whether there are economic or political pressures the Canadian Government could bring to bear on both Syria and Israel in order to obtain the most effective conditions for Canadian forces committed to a United Nations force — and, indeed, for the entire UN force. Canada has an embassy in Israel and another in Lebanon, but none in Syria.

*Approval  
of new mandate  
could prove  
difficult  
to achieve*

*Now is the time  
to consider  
future responses*

The strategic importance of Syria as a potential for war in the Middle East means that Canada should have diplomatic representation there (the Canadian Ambassador to Lebanon is also accredited to Damascus, but his visits there are necessarily brief).

Unfortunately, there are few other obvious economic or diplomatic weapons available to Canada for use in trying to get UN policies changed. It would be possible to withhold food shipments to the United Nations relief organization, but that would have absolutely no effect on Israel (in fact, it would even be to its liking) and little effect on Syria, which, for the most part, cares for the Palestinian refugees only because they are a useful tool in the basic conflict between the Arab world and Israel. Trade between Canada and any countries to which United Nations forces might be sent is likely to be relatively small. Most such countries could obtain their essential requirements elsewhere or do without.

About the only effective weapons Canadian diplomats have in seeking an enlarged UN policy on peacekeeping are the relatively high regard Canada enjoys in the United Nations and its demonstrated willingness to respond to United Nations needs. There Canadian efforts should be concentrated, with great determination not to go anywhere unless a meaningful contribution can be made.

*Possibility  
of meaningful  
contribution  
should be criterion  
for participation*

Given adequate guidelines on how the job is to be done, there should be no question about Canada's continuing to accept peacekeeping-peacemaking functions. Canadian forces are uniquely qualified to be the backbone of any United Nations force put in the field.

There are also indirect benefits to be derived from these activities. In the absence of war, which is the ultimate training for soldiers, there is no better way to develop competence among officers and men than to have them serving in dangerous situations under field conditions.

No martyrs were created by triggering happy troops during the FLQ crisis, despite the fact that hundreds of soldiers were on duty under desperately terrible circumstances in Montreal and Ottawa. Canada did not have the equivalent of the shooting at Kent State University because the troops on duty here had learnt the hard way, along the Green Line in Cyprus and in the Gaza Strip, to control emotional people. Canadian forces were, and are, professionals, to whom obscenities, a shower of rocks, and even bullets, were to be endured. Only when they began to suffer serious casualties would such troops respond, and then only with carefully-measured force. In the FLQ crisis alone, the cost of Canada's commitment to the United Nations was repaid several times over.

### *Of armies and politics*

## Military regimes face problems of political participation

By Alexander Craig

The topic of political participation under military regimes is one of increasing importance. Approximately one-half of the Third World states either have military governments or polities in which the armed forces exercise very strong influence. Can military governments hand over power to civilians? Will they? Or will the armed forces attempt to institutionalize themselves as regularized, recognized participants in the political process, in this way seeking to spare both their institutions and their countries the ravages of repeated intervention?

This article will consider military governments in Latin America and Southern Europe in terms of their differing views on participation in the political process. Some students of military regimes in Africa and Asia claim to see trends toward gradual military withdrawal from politics. Not everyone sees it this way and, if Latin American experience has anything to teach us, it is to warn us against such optimism. Indeed, what is happening in Latin America and Southern Europe, in countries of Iberian and Mediterranean culture, may help give some indication of trends elsewhere.



ere. We are, after all, talking not only about the most advanced countries of the Third World, but also about the systems in which military intervention in politics is most historically rooted.

"Military regime" is here taken to refer to a government either of direct military rule or one that has been installed by the armed forces and depends upon them for its continued existence. The term embraces a multitude of singularities. Sometimes the military rule directly, sometimes indirectly: at times with extensive participation but from restricted social sectors, at times otherwise. Civilians usually assist in these governments, of course, but the point is that they are intimately subordinate to the military authorities. Military governments share certain common characteristics, however: they are authoritarian; they are opposed — sometimes virulently, to traditional politics and parties; they are inherently unstable.

### Myth of politics

It is perhaps not sufficiently realized how arbitrary and unwilling military men often are about interfering in politics — current events in, say, Lebanon, and the long quiescence in Salazar's Portugal are only two of many illustrations of the military's willingness to become too deeply involved. This is not because the military have any doubts about their centrality. In Colombia in 1888, a decree defined subversion as any attack on "the Catholic religion, the Army, private property, and the legal monetary currency". In Latin America as elsewhere, the armed forces will regard themselves in this way, as one of the few basic pillars of society.

The armed forces see themselves as guardians of the nation, not servants of whatever government may be briefly in power. But they also know from experience how divisive military activity in politics can be. When they feel themselves obliged to intervene, they therefore want to make it count. They go in to set up a sound state that can impose order.

Military regimes want, understandably enough, to justify their existence — to the people they rule, to foreign interests and, above all, to themselves. Whatever their other objectives may be, they seek support, from the people or otherwise, to help establish their claim to decide what is the country's best interests. They can seek to legitimize their presence in different ways — by amending the constitution or by introducing schemes for new forms of participation. Effective government requires some idea of what the ordinary citizen thinks and feels; and, particu-

larly in an unstable society, governments that want to retain power need constantly to undercut potential support for opposition forces.

### Three attitudes

Three basic sets of attitudes to the question of political participation will be outlined, and then the reasons for the varying "mix" in particular regimes will be analysed in terms of factors both internal and external to the institution of the armed forces. The first response to the problem of participation will be called "restorative". Other terms that might fit include "normalizing", "democratic", and "moderating", although all these terms beg huge questions about what exactly is to be restored, normalized or moderated, and how.

Nonetheless, the military themselves sometimes have clear ideas of what they wish restored. This has not been so in Portugal, Greece, Brazil for much of the time since 1964, or in Argentina after 1966, but it clearly was so in the various military overthrows of personalist, populist dictators in Colombia, Venezuela and Argentina in the 1950s and, in a different way, in the infrequent but decisive political moves of the Chilean armed forces.

The second approach we shall call "personalist" or "opportunist". This type is beginning to disappear in Latin America, in part because the military institution, particularly as it becomes better trained and more professional, can itself be bitterly anti-personalist; in Argentina, for example, there is determination not to repeat the experience of Peron. It tends to occur in less-developed countries with low levels of socio-economic development, especially in such areas as literacy and urbanization; Duvalier and Amin might be cases in point, and Stroessner definitely is. The approach to political participation here tends to be anti-institutional and populist — not always, however, because a personalist dictator such as Stroessner has nothing of the Bonapartist or demagogue in him but much of the paternalist.

The third attitude to political participation, the revolutionary, tends to be

*Argentine determination not to repeat experience of Peron*

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basically one of exclusion, but with a greater or lesser degree of co-optation. This approach can be divided into right and left, with the great majority of military governments falling into the former category, of course, but with some significant cases in the latter category — in Peru and Portugal, obviously, but also at times in other countries. Torres' Bolivia, clearly, but Torrijos in Panama fits in part here, in part in Type Two (although the term 'left', iridescent with ambiguity as it is, to adapt Tawney's phrase concerning socialism, is peculiarly tricky when it is applied to military governments, which find it difficult, if not impossible, to abandon authoritarian attitudes).

What distinguishes this approach from the two previous ones is that it wants to change the system, rather than restore it, and along ideological lines. This type of military government, therefore, rejects the personalist or opportunist way. It is relatively new. Before the military takeover in Brazil in 1964, military regimes had made no attempt to stay in power indefinitely. The outcome — or, indeed, goal — of the Peruvian experiment is not yet clear but, apart from the fact that a very inadequate form of democracy existed there, the most fitting label for it so far, in many respects, has been "corporatist".

### **Brazilian partnership**

Brazil has attempted, without much success, to preserve a democratic facade, but the Government clearly intends to make the armed forces a basic and regular partner in the political system. In a speech at the end of 1974, President Geisel claimed that Brazil was headed toward a "genuinely democratic framework". But, as if to demonstrate his own lack of democratic conviction, he went on to promise that he "would use authoritative measures against anti-democratic tactics, with the view that the military would determine what is 'undemocratic'". In this system, he said, "there is no place, nor should there be, for irresponsible attitudes of pure challenge to the very rules of the democratic game".

The term "fascist" has been grossly abused for many years, but the nature and strength of what many Chileans call the "Gestapo" secret police in that country at present is only one of the pieces of evidence that indicate that a large part of the dominant elements in the Chilean military want to impose a fascist state. The present Government of Chile is an extreme example of a military regime that sets out ruthlessly to exclude not only labour, student and

other organizations but traditional parties also.

Right-wing revolutionary governments rely on coercion, but also seek to appeal to "new élites", ascendant middle-class sectors who welcome unreservedly the type of government's single-minded concentration on economic growth and close alliance with the dominant economic power in the region. (The Brazilian social scientist Helio Jaguaribe has written one of the best critiques of what in Brazil is known as "the Canadian model".) Politics can be postponed, social peace can be enforced while a system of more equitable distribution is left to look after itself, by "tricking down". Before March 1964, it appeared that social mobilization (or "Communism", as many of the military and their supporters preferred to call it) was being accelerated by President Goulart — so that the armed forces stepped in to reverse the process. They point to the "lesson of Western development": "When there exists sufficient accumulated capital, this will provoke a gradual rise in living conditions by the 'filtration' effect".

The restorative approach is hardly evidenced at present in Latin America. It is categorized by a willingness to allow political parties (with the possible exception of the incumbent party at the time of military intervention) and elections for constituent assembly or legislative bodies. The second approach, the personalist, attempts either to create a mass party or subordinate parties to an unimportant role in the state. The "revolutionary" approach bans all parties or attempts to impose its own version of political parties.

These models are, of course, theoretical. Many military governments contain a varying "mix" of all of them, but nearly all such regimes can be classified as one or other of the basic types. When the armed forces are unable to decide among themselves what they want, they generally fail to institutionalize themselves. Argentina in the post-1955 period is a very clear illustration of this, leading as it did to the unprecedented invitation in 1972 to the deposed dictator to return.

We shall now investigate some of the reasons for these differing approaches. These reasons will be divided into factors external and internal to the military institution. External factors can be divided into two basic types: (1) foreign, i.e. the country's situation in international affairs and (2) the nature of the country's social and political system.

Foreign factors are more clearly significant in most other areas of the world than in Latin America — which is not

*Chilean  
Government  
example  
of ruthless  
exclusion*



... they are by any means unimportant. ... military governments in Africa, Asia and the Middle East, apart from the fact that many such nations are of relatively recent birth, often exist in regions of much greater international tension. (This applies also to Southern Europe. The international dimension in what is going on in Portugal at present is of primary importance, and foreign factors, particularly the Cold War, have contributed greatly to the maintenance of the regimes in Spain, and, until recently, Greece.)

### **U.S. influence**

Within Latin America, U.S. influence is not quite as basic, as absolutely unchallengeable, in South America as it is in the Caribbean and Central America (especially since Castro took power). There, in the words of a U.S. Senate report of December 1971:

... the United States got into the bear trap by intervening to frustrate a process of social change (indirectly in Guatemala in 1954, openly in the Dominican Republic in 1965), and the trap has been becoming more painful ever since. . . .

Ever since the respective interventions, the United States has felt constrained to support whatever government has been in power in either country; these governments have generally been conservative, they have done nothing to bring about social change in any fundamental sense, they have terrorized the opposition, they have thereby acquired a bad image both at home and abroad, and this image has rubbed off on the U.S. . . .

In the meantime, the fundamental problems of each country have become more difficult to deal with.

The present military government of Peru and the first presidency of Peron (1946-55) gained considerable support from their position to and by the U.S. (compare the U.S. support for the military government in Egypt after the British humiliation of Suez). The Brazilian military, on the other hand, were influenced not just by Brazil's long friendship with the U.S. and the former's desire to emulate the latter's "manifest destiny" of last century but also by close links through training and joint combat with the U.S. in Italy in the Second World War.

Foreign factors, while they help to account for the existence of military regimes, only go so far in shaping their nature. What is of primary importance in this respect is the country's socio-economic system, and in particular the form of government and state prior to the takeover by

the military. This is basic, and can on no account be underestimated. It was well put by Maurice Duverger in *Le Monde* in September 1975:

Portugal has the Third World characteristics of economic under-development: a predominantly agricultural economy, a weak implantation of liberal ideas, the stranglehold of an archaic religious establishment, and a lack of modern political underpinnings. Within such a context, a pluralistic democracy could work only in a restricted and formal way, as in India and Ceylon, before those countries foundered into dictatorship. . . .

Recent history is of particular significance; to some extent, people only get the amount of participation they seek. The Greek military government's strength was summed up by *Le Monde* in November 1971 thus: "The biggest factor working for the regime is the apathy of a population exhausted by a foreign war and a horrible civil uprising. Like the Spanish, the Greeks would rather put up with a dictatorship than with new ordeals." In Greece, as in Spain, internal and foreign factors combined to ensure that each of these regimes was basically one of the revolutionary right (with elements of populism in the former and personalism in the latter.)

### **Argentine experience**

It is of some significance that of all the countries here considered none is as developed as Argentina, in terms of *per capita* income, levels of urbanization and literacy, and in somewhat less quantifiable terms such as degree of secularity and strength of unions and other intermediate groups. And it is this country that has found the problem of political participation under military governments most severe. At times the armed forces have wanted to leave politics and, rather more frequently, other sectors have also desired their final exit. The Argentine dilemma has been one in which the Argentine army has never really been controlled by the civilian power and yet in which the level of political and social development has been too high for, say, the form of demilitarization successfully pursued by Kemal Ataturk when Turkey's peasantry and urban working class were not yet politically active.

Factors internal to the military institution are numerous. Principally, they have to do with the institution's self-perception, its traditions and recent history, and the training, socialization and social background of the officer class. These various elements combine with external factors to help form the mental

*Combination  
of internal  
and external  
factors*

outlook, the world-view, of the officers that makes them decide to favour one way of political participation over another.

Some of these factors, such as the institution's self-perception (e.g. its levels of identity, cohesion and organization, which tend to be greater than those of any other sector in society), bear rather more on why the military take over than how they govern. Not completely, however, and this can best be seen by considering the way the recent history of the military in Peru and Portugal changed their self-perception.

The first foreign minister of Peru's 1968 military government, General Mercado Jarrin, declared that he was turned into a radical by his tour of duty among the impoverished peasants of the *altiplano*. Many of his colleagues seemed to have been similarly affected. Like their counterparts in Peru, the Portuguese military fought guerillas, and they too were ultimately so influenced by their adversaries' opinions that they decided their country required drastic change, but not in an old-fashioned dictatorial manner. To many officers, this reaction seems to have been in order to pre-empt, or at least forestall, sweeping social revolution from below, but many leading elements, especially in Portugal at present, have enthusiastically adopted Mozambique President Samora Machel's maxim: "A soldier without politics is an assassin".

More heat than light has been generated by the study of military officers' social origins and how these affect their political attitudes. As in other areas of study of the military, it is almost impossible to gather sufficient data. Nevertheless, the Peruvian case seems to indicate some sort of support for the argument that officers of modest, rural background might be more prepared to confront the oligarchy and establish a regime oriented towards aiding the poorer classes.

The generational background of officers might, in some cases, be equally important. Intervention by colonels and captains, rather than generals, if the former can hold on to power, tends to be more radical; Argentina in 1943 and more recently Portugal (and perhaps Libya, Ethiopia and Nasser's Egypt) are examples.

One of the most important influences is, undoubtedly, training. War, Bouthoul has said, "dispenses with the need to work out laborious compromises, to balance divergent interests". Many officers still act to show they have been trained in that way, but the changing role of the military, in Latin America in particular, has given

rise to a "new professionalism" in which security is seen to equal development.

How the latter is to be brought about and in particular what role the populace to play, can depend to quite an extent on the nature of training. The Peruvian Centro de Altos Estudios Militares (CAEM) was itself strongly influenced by progressive civilian Latin American intellectuals at the UN Economic Commission for Latin America in Santiago de Chile. With that kind of background, CAEM, in a document published five years before the 1968 military takeover, declared:

So long as Peru does not have programmatic and well-organized political parties, the country will continue to be ungovernable. . . . The sad and desperate truth is that, in Peru, the real power are not the Executive, the Legislature, the Judiciary or the electorate, but the latifundists, the exporters, the bankers and the American (U.S.) investors.

The Brazilian military training establishments, on the other hand, were much more influenced by U.S. advisers and models and the strength of the Chicago school of economists in present-day Chile is notorious.

A final internal factor might be said to be the institution's mental outlook, especially that part that has to do with its peculiar hierarchical nature and its isolation from pluralist, heterogeneous society. Military governments, and their civilian allies, are frequently opposed to any meaningful participation; what they seek to install is a state that is neutral ("apolitical"), orderly and, above all, controlled. Winston Churchill told Lloyd George that Lloyd George understood politics better than Churchill did because Churchill had been brought up as a soldier.

### Fitting together

How do these various factors fit together to produce regimes that are moderating, personalist or revolutionary? To a great extent this depends on a country's peculiar history and situation, of course, but level of development is also very important. Most of the countries considered here have passed through the first two stages. High levels of development mean military forces that are better trained and more professional, more politically aware and potentially more eager to seize power and attempt to bring about quick and sweeping change.

What makes a military government tend to the revolutionary right or left? Once more, a country's history, its geographical position and other particular factors are basic, but some shared characteristics

*Training  
an important  
influence*



tics emerge. It would appear, for  
ance, that armed forces that fight rural  
rillas, as has been the case with Peru  
Portugal, are more likely to be im-  
ed towards change by the abject  
erty and apparent hopelessness of rural  
ditions than military institutions large-  
confronting urban guerillas, such as  
se in Uruguay and Brazil. Another  
ilarity perhaps hardly requires men-  
ing: military governments that in-  
vene to forestall or thwart popular  
bilization, as in Brazil, Chile, Greece,  
atemala and elsewhere, are right-wing  
repressive, whereas those that inter-  
e in strongly conservative states, such  
Portugal, Peru, Ethiopia, and Argentina  
1943, clearly tend to the left.

One fundamental view is held in com-  
n by military regimes of the revolution-  
right and left. In response to the  
emma of the vicious circle of with-  
drawal and intervention, they intend to  
ve out a permanent political role. Con-  
sequently they seek to institutionalize, or  
ularize, military participation in poli-  
s. This is what is going on in Brazil and  
ru, and is being attempted, sporadically,  
ewhere. It will be a long and uncertain  
cess. Among those who observed its  
esis was an experienced former U.S.  
bassador to Chile. In 1969, Ralph  
ngan summarized it thus in a statement  
the U.S. Senate Committee on Foreign  
lations:

The Latin American military man of the  
future, at least in the more mature and  
larger countries, in my opinion, is likely  
to be less concerned about support and  
loyalty to any particular class of society.  
He is also less likely to be attached to  
the preservation of any pre-existing so-  
cial or political system and more likely

to adapt to popular and even national  
ideologies, partly because he more  
readily identifies with them and partly  
in order to preserve a position for him-  
self and his service or social group in the  
emerging power structure.

There is nothing to indicate the mili-  
tary is either going to stop intervening in  
politics, or return to once more playing a  
merely "restorative" role. The era of per-  
sonalist rule in Latin America, and in  
Southern Europe too, possibly, seems to be  
drawing to a close.

How should other countries respond  
to this? The role of the diplomat is circum-  
scribed, especially in today's "global vil-  
lage" of increased telecommunications and  
thus centralization of major decision-  
making. The demands, both domestic and  
foreign, on Canadian Governments are  
nothing like as intense or extensive as they  
are on, say, U.S. Governments, and thus a  
more consistent and rational policy of  
diplomatic recognition is more easily fol-  
lowed. In other words, regimes are recog-  
nized simply as an acceptance that they  
now effectively govern the country; thus,  
to the diplomat, moral considerations are  
not relevant.

This is not to say that all military  
regimes are alike. People concerned with  
foreign policy should be aware of what the  
various segments of their domestic com-  
munity feel. As far as certain military  
regimes are concerned, this was succinctly  
put in an editorial in Canada's main busi-  
ness weekly, the *Financial Post*, in October  
1975: "... Brazil is Canada's seventh-  
largest export market. Canada has a stake  
in Brazil's economic well-being. But, until  
Brazil moderates its political stance, full  
support for that country's struggle must  
be withheld."

*Considerations  
of morality  
not relevant  
to recognition*

## Venezuelan coup in 1948...

Sir,

I have read with great interest the article entitled "Venezuela and the Creation of OPE" by Mr. Hudon that appeared in the May/June 1975 issue of your publication. The purpose of this letter is to comment upon the use of the word "engineered" in the following phrase of that article: "It is fair to say that the 1948 *coup* was engineered by the large oil companies in connivance with the Venezuelan establishment . . .". It appears Page 39 of your publication.

The phrase in question has the strength and quality of an affirmation of incontrovertible fact that, I have reason to believe (based on the testimony of persons directly involved at the time), is simply not supported by any reasonable historical evidence.

During my conversation this morning with the author of the article, he was unable to offer me any satisfactory evidence whatsoever. Rather was I able to conclude legitimately from our conversation that he was reporting upon speculative comments (which might, not unfairly, be considered as gossip) that he had acquired casually and without verification in the course of his contacts since he arrived in Venezuela some 13 years ago. This scarcely constitutes what one normally expects from the writer of an apparently serious study.

There is no denying that such comments/gossip may have been (and could still be) current with regard to the events of 1948. Nevertheless it may be of interest to yourself to know that the successful civilian-military uprising in 1945 (of which mention is made earlier in the same column of Mr. Hudon's article) represented an initially military movement with which the A.D. Party civilians associated themselves only at a very late stage in its preparation. The leaders of the wholly military *coup* of 1948 were essentially the same persons who "engineered" the 1945 movement. The only difference was that in 1948 they discarded all civilian partners until their self-imposed task was successfully completed; *inter alia*, their aim was to eliminate from Government their erstwhile civilian associates, namely the A.D. Party.

I was not myself living in Venezuela at the time, but what I have heard (and Mr. Hudon himself has heard no more, I suppose) leads me to believe that whatever was engineered (and I am not sure just what that particular term may signify precisely) was a wholly military operation. Conversations I have had with persons active in the political affairs of that time, including one undertaken yesterday in order to verify my understanding of those events, have given me no grounds to suppose that the operation was proposed/planned/encouraged/financed/encompassed by any other than the military themselves. Nor has Mr. Hudon brought forward any evidence to contradict that supposition. His statement, therefore, must be regarded as journalistic, interpretative comment based upon what may be regarded as the "political folklore" of the time. Charitably, one could say that he has used very loose wording in setting down his thoughts upon this matter, but in so doing he has added, with a singular lack of responsibility, yet another element to the so-called "black legend" with which the petroleum companies are unfortunately burdened. The companies tend not to defend themselves, and may not always have been so free from blame as to be able to do so in all cases; but in this case there seems to be no evidence to support Mr. Hudon's ill-worded speculation as constituting any real and solid charge against the oil companies.

In order that you may be aware of the background to my interest in this matter, in addition to maintaining a healthy curiosity in the affairs of Venezuela, a country in which I was born and reside, I am a director of an oil company — Compania Shell de Venezuela N.V.

I quite understand that your publication does not support all the opinions expressed by your contributors. However, it does occur to me that the Department of External Affairs may possibly have an interest in promoting the dissemination of objective fact which it may be presumed, in some measure at least, to be able to evaluate, and I may therefore, express my surprise at what seems a deplorably low standard.

R. A. Irving  
Caracas, Venezuela



# Southern Africa...

A year or so ago, South African Prime Minister John Vorster said to the world: "Give me six months to initiate reforms." This political statement was aimed at creating a better image of the Republic of South Africa abroad. Since the time of Vorster's statement, there have indeed been many changes, most of which, however, came about without help. Mozambique, which forms part of southern Africa's protective front, has gained independence, while Angola, which is in the same strategic position and is at present engaged in civil war, is soon to achieve the same status. With the fall of these two bastions of white colonialism, which had constituted a strong protective wall, Rhodesia and South Africa now find themselves completely exposed and vulnerable. Over the past few months the position of these two racist regimes, which had previously been so secure, has become very unstable — not to say precarious —, with the result that they suddenly need outside support and an atmosphere of conciliation and *détente* with their African neighbours. This geopolitical about-face led to a situation in which Vorster, the head of a state where segregation is a national institution, could stand beside Kaunda, head of an African country that serves as a refuge for guerillas and liberation movements, to put pressure on Rhodesia's Ian Smith to make certain compromises with respect to his country's internal racial situation. In South Africa itself, the Bantu are now permitted the use of public beaches hitherto exclusively reserved for whites, which will merely mean that the latter will no longer use them if there are any Bantu sitting on them. A few concert-halls and similar places are now open to the Bantu in some large cities, such as Capetown. Despite these internal changes recommended by the Prime Minister and more or less put into effect, the South African problem remains intact.

The champions of this basic policy, which is called "separate development" by South Africa and which is established in the laws, structures and ideology of the state, are still in power in the republic. For these individuals, who are so unshakeable in their convictions, any kind of liberalization of racial policy, however minor, would have incalculable consequences for the security and even the survival of the state. There was, therefore, no question of making compromises or of yielding even a fraction of an inch on the segregation issue by recognizing the Bantu's political rights, favouring their development, or abolishing the many racial laws that are enforced by a specially-trained and constantly vigilant police force. It is obviously impossible for any state systematically to prevent all manifestations of opposition. The few persons who dare speak out openly against the very foundations — social injustice and repression — of the racist state (*apartheid*) are considered anarchists and enemies of the state. We learn of their situation in part through the annual report of Amnesty International, which publishes the names and conditions of detention of some of those fortunate enough to be among the better-known cases. A more familiar and tolerated form of opposition in South Africa is what we might call "token" opposition; without opposing the basic principles of racial segregation forming the foundation of the regime, this form of opposition halfheartedly and with no sense of urgency advocates minor changes with little more than symbolic significance, such as giving the Bantu the right to use the elevators reserved for whites in government buildings. To date, therefore, it has not been possible to make any real headway or achieve any kind of momentum in even minor reforms. To advance the just cause of the Bantu more support is needed from those blacks and whites who have the courage to stand behind their convictions and their desire for an equal society and to fight from both inside and (because of repression) outside the established structures. This category of citizens would have the support not only of the large majority of the population of South Africa but also of the rest of the world as well. They would, however, have to confront the repressive structures of the state, structures that are firmly entrenched and — what is more important — are backed by the full weight of the law.

Although the white man is in the minority in this vast and wealthy country, it is the African peoples who are treated as strangers in their own land. The sad, contemporary reality of the "Bantustans", "parks" or "reserves", in which the Bantu are literally confined in order to facilitate their control and avoid any threat to the established regime, is a Machiavellian and inhuman application of the principle of "divide and rule". These so-called "sovereign and independent states" located on small sections of territory, among the poorest in that rich country, are scattered throughout the land to prevent any standing together and are completely dependent upon the Republic of South Africa. The Bantu to whom — in order to meet the needs of the white minority — access is granted to

the large cities, are required to obtain and carry a special pass in white districts at all times in order to identify themselves and justify their presence among the white minority. Deprived of the most elementary rights, these human beings are kept in a state of underdevelopment so that they will not become a threat to the establishment, and to prevent them from becoming aware of their numerical strength, or of the legitimacy of their desire for emancipation from the bondage forced upon them by the minority.

What is Canada's attitude towards the Republic of South Africa, a country built on a system of institutionalized racism? A great ambiguity bordering on toleration, an attitude that, above all, enables the Canadian Government to maintain a broad range of relations of benefit to Canadian industries as well as to the Government itself. In fact, by maintaining this ambiguity, all the parties concerned are able to ignore the basic principles of social justice and easily ward off any accusations.

Verbally, as always, Canada is very prominent in this connection. At the United Nations, as well as before the various international committees and commissions, Canada hastens to show its indignation that such a situation should exist and should be tolerated. Officially, the Canadian Government condemns South Africa's *apartheid* policies. Our representative, A. W. Sullivan, stated before the Social Committee of the Economic and Social Council of the United Nations that Canada had always been opposed to racial discrimination in all its manifestations and condemned in particular the institutionalized and odious form of discrimination known as *apartheid* (New York, April 17, 1975). In official Government publications such as the brochures entitled *Foreign Policy for Canadians*, the position is the same — unequivocal condemnation of the racist regime.

In practice, however, what is Canada doing? Again, a great deal, but this time — in the name of pragmatism — with the effect of supporting the regime it so roundly condemns. Although our country continues at the international level to proclaim its indignation at the situation prevailing in South Africa to anyone who cares to listen, it not only maintains an embassy in the capital cities — the seat of government rotates between Victoria and Pretoria every six months and the Canadian Embassy therefore moves between two offices in these cities — but has a consulate in Johannesburg as well. Moreover, the Minister of Industry, Trade and Commerce has two trade missions, one in Capetown and the other in Johannesburg. At the political and diplomatic level, there is thus both *de facto* and *de jure* recognition. From the economic standpoint, our country goes even further. Canadian Government trade with the regime is close to \$125 million; internationally, through the Commonwealth Preferential Trade Agreement, Canada is involved in other commercial exchanges. In spite of the fact that this agreement was signed in the Thirties and that South Africa has since withdrawn from the Commonwealth, it still remains an effective instrument of multilateral trade, which Canada uses to full advantage. A number of Government agencies, Crown Corporations and others, have various economic relations with this country that maintains a system of racial segregation. Air Canada is one of these. It is quite possible that Canada has helped, or is now helping, the Republic of South Africa through national agencies such as CIDA or Uranium Canada Limited. Although the Federal Republic of Germany, like Canada, condemns the *apartheid* regime, it works in close co-operation with South Africa in the nuclear field. In the private sector, the Canadian Government has adopted a policy of non-interference with regard to the various economic links between Canadian companies and South Africa for several reasons — to avoid antagonizing the companies, to avoid depriving the Government itself of a source of revenue, and to avoid displeasing the South African Government authorities. Thus, openly but discretely, many respectable Canadian companies such as Toronto-based Bata, not only invest — with Federal Government approval — considerable sums of money in that country, thereby supporting the unjust social regime economically, but also adopt the segregation measures of the country and apply them in their own establishments in South Africa. As far as the private international sector is concerned, large multinational firms with branches in Canada, or Canadian companies directed by foreign interests — Alcan, Consolidated Bathurst, Falconbridge Nickel, Ford Motor Company of Canada, International Nickel Company of Canada, Massey Fergusson, Sun Life of Canada and others — invest and economically support the regime of the Republic of South Africa. It goes without saying that these companies too, have hastened to embrace the racial policies of this country in order to take full advantage of the cheap labour. And while this flagrant social injustice is being perpetrated by those identified with Canada, the Canadian Government tenaciously sticks to its policy of non-interference in the commercial affairs of the companies in order to avoid antagonizing them. However, with respect to this sacrosanct policy of not interfering in



many affairs, it might be interesting to know to what extent funds are granted by the Canadian Government for the purpose of exporting our products to South Africa.

To live up to the image it tries to project in its verbal protestations, Canada often sends humanitarian aid to the disadvantaged segments of the South African population (which means practically the whole population). These funds are graciously sent through charitable organizations after being partially whittled away to defray Government administrative expenses. In this way, Canada can shout to the world that it practises what it preaches and is fighting to attain the objectives of its foreign policy: social justice and well-being for all the peoples of the world.

But if our Government were really striving to reach these objectives, what could it do? A great deal. Instead of complacently accepting the existence of injustice, Canada should adopt an attitude more in line with its verbal exhibitionism. Many types of action are open to the Government — from a minor gesture, such as closing down the consulate in Pretoria on grounds of economy in these inflationary times, to the *practical* condemnation of the regime itself by severing economic and political ties and by continuing and increasing humanitarian aid.

Between these two extreme positions, but without going against its precious policy of non-interference in the affairs of national or multinational companies, a policy aimed at protecting its sources of revenue, the Canadian Government could take action in the areas under its direct control, namely the Government departments and agencies. It is entirely within the powers of Cabinet and Parliament to ensure that all Government departments and agencies cease their relations with South Africa. They could even declare the Commonwealth Preferential Trade Agreement inapplicable, for the simple reason that the Commonwealth condemns the current regime. These steps are within the Government's power and could be taken without harming private interests.

As for the policy of non-interference, it should be remembered that any policy, whatever it is, can be changed.

It is certainly time that we re-examine the principles behind our policy of indirectly supporting the *apartheid* regime; we shall discover that it is, in fact, our apathy and unwillingness to act that supports, maintains and even encourages institutionalized racism. By not taking positive action to put an end to this situation that it labels as tolerable in its all-too-many verbal condemnations, Canada is just as guilty and worthy of condemnation for its complicity as is South Africa itself.

In the past as in the present, an evaluation of the diverse aspects of the Canadian position sheds an unpleasant light on Canada's conduct and convictions.

Marc Parent  
Quebec

Open letter to the minister

## Balthazar attacked...

We are writing in reference to the article by Mr. Louis Balthazar entitled "Canadian foreign policy and the Quebec intellectual", which appeared in the July-August 1975 issue of the review *International Perspectives* published by your department, and which has just come to our attention.

In view of the standing enjoyed by this publication and its wide readership in diplomatic and academic circles, and also in view of the author's status as co-editor, we should like to draw your attention to the serious anomalies and contradictions we found in the article, as well as to the poor understanding of foreign policy and international relations displayed by Mr. Balthazar, and the biased and opportunistic nature of his interpretations.

The ideas put forward at the information session held last March 13 and 14 as reported by Mr. Balthazar could not, as is falsely claimed by the author, be representative of the viewpoint of Quebec intellectuals; on the contrary, such views would do them great credit. This small group can in no way claim to speak for a majority that was not present at the session. Moreover, if the account of the meeting is accurate, the opinions

expressed are, we believe, totally lacking in the scientific basis essential to an analysis of foreign policy. Rather, these opinions borrow their frame of reference from ideology, emotionalism, popular morality and, in particular, common sense. Forsaking the ethical and intellectual rigour expected of a co-editor, Mr. Balthazar goes further, attempting to endow these opinions with a meaning and a sociological value they do not possess. His elitist pretensions are disturbing in their naiveté.

For over five years we have been engaged in the study of political science, particularly international relations, using a scientific approach. The background so acquired qualifies us to denounce as fallacious the comments of which Mr. Balthazar has chosen to make himself the vehicle. What observer familiar with the dynamics of the political process could speak of a "Quebec" view of the international system? Different ways of viewing the world are certainly possible and do exist; they do not, however, arise from social or cultural differences but rather from the degree of intellectual training. A national opinion survey in Canada might show differences in attitudes between Quebec and the rest of the country with regard, for example, to the order of priorities and the direction to be given to our foreign policy. In political matters, the attitudes of Canadians are always strongly regionalized. On the level of systematic thought, however, such distinctions do not obey these rules. On the contrary, we think that many intellectuals, both from Quebec and from English-speaking Canada, share the same way of viewing the international system. To defend the opposite view as Mr. Balthazar has done is a theoretical absurdity and shows a failure to make distinctions between one level of analytical thought and another.

The comments on possible new directions for Canada's foreign policy are a good illustration of the emotional and ideological bases of the viewpoints prevailing at the information session. It is disconcerting at the very least to read that persons calling themselves intellectuals want to slant Canada's policy on the Middle East in a certain direction, with, as sole justification, the sympathy felt by certain groups in Quebec for Arab countries. No one with the slightest glimmer of understanding can blame Canada for aligning itself with the capitalist countries; its political, social and economic structures require that it do so. They must be truly unthinking who would ask Canada to support the demands of Third World states to the detriment of the industrialized nations, without first making a serious analysis of both the national and international implications of such a move. In consequence, we do not wish to be associated with the ill-considered ideas erroneously attributed by Mr. Balthazar to the intellectuals of Quebec.

The analysis of foreign policy in Canada that the author undertakes in the last part of his article clearly shows a weakness of theory and a shameless lack of realism. In addition to using a number of terms improperly and committing gross semantic errors, Mr. Balthazar delivers an interpretation of bilingualism and biculturalism that exhibits an alarming degree of conceptual confusion. Canada, like any other country, conducts its foreign policy on the basis of its national interests, whether they be connected with trade, politics or strategic matters, and it does so in terms of various specific situations. The attention accorded the French-speaking world and bilingualism can only be in terms of purposes of administration, the recruitment of diplomats and public servants, and immigration, always with a practical view to the better realization of basic objectives and satisfying *francophone* public opinion. The same rationale applies to the maintenance of a balance between French-speaking and English-speaking countries with regard to the distribution of foreign aid. But to make bilingualism a pivotal factor and refer to "bicultural" foreign policy as Mr. Balthazar has done is to forget these basic distinctions and leave oneself open to the charge of being totally misinformed.

The areas of incompatibility that he finds between theory and practice are far more indicative of an obscurantist attitude than of any well-thought-out principles. The height of absurdity is reached when he declares that the "sentiments" of the Quebec intellectuals "may be impossible to put into practice", while at the same time he would like to see them taken into consideration by the authorities. Such flights of illogic not only do harm to the reputation of Quebec intellectuals but impede the dialogue necessary between practitioners and theoreticians of foreign policy. In such a context, your speech, in its reference to the constraints that affect foreign policy and the necessity of making provisions accordingly, could not have been more relevant.

All these considerations, brief as they are, show that the author is not capable of writing on Canada's foreign policy, that he has revealed a vast ignorance of the subject and that his interpretations are false. We are, therefore, requesting that Louis Balthazar be relieved of his position as co-editor of *International Perspectives* so that the quality and good reputation of that publication can survive intact.



Knowing that you place considerable importance on a strong and valuable contribution from Quebecers in the making of Canada's foreign policy and that protecting the prestige of your Department is a matter of continuing interest to you, we are hopeful that you will accede to our request.

The broad distribution of *International Perspectives* in Canada and abroad and its influence on public opinion, particularly in diplomatic, academic and political circles, has left us no choice but to send a copy of this letter to the leading newspapers, in hopes that the serious harm done by Mr. Balthazar to the reputation of Quebec intellectuals may be justified.

Denys Laliberté  
Michel Pratt  
Candide Charest-Wallot  
Claude Baillargeon

### *Balthazar replies . . .*

Rather than play Don Quixote by throwing themselves into thunderous denunciations, the authors of this letter could have taken time to read my article more carefully. Even if the article was entitled "Canadian foreign policy and the Quebec intellectual", it was clear enough in emphasizing that the persons who attended the information session which I was referring to were *some* academics and *some* journalists who were expressing opinions commonly found in their respective milieux.

My young detractors would also have gained by taking into account this basic proposition: opinions are, most of the time, "totally lacking" in a "scientific basis" and they often rest upon 'ideology, emotionalism, popular morality and, in particular, common sense'. In fact, in the case of popular morality and common sense, I fail to see what is wrong with that — even for intellectuals. God knows intellectuals often voice opinions inspired by emotion and passions. The above letter is a good example.

Of course opinions can be scientifically analysed but, when expressed, they cannot be scientific. The persons who attended last year's meeting did not claim, as they were speaking, that they were putting forward scientific conclusions.

One last point. These "Brave New World" students do not believe that cultural identity may be a source of a specific view of the world. For them, it is the "degree of intellectual training" that determines a particular perception of the international system. I would suggest that they compare the *francophone* press from Quebec to the *anglophone* Canadian press at large. They could also compare conferences on international relations held in Quebec in the French language to those held in English elsewhere in Canada. They will not need a strong conceptual framework to perceive the differences.

It may be timely to recall that *International Perspectives* is a journal of opinion. The editors, in contributing articles, are not stating an editorial policy for the magazine. Rather, they are expressing their own views, and surely they must be as free to do so as any other contributor (including the authors whose opinions are contained in the above letter.)

Were the Secretary of State for External Affairs to follow their advice and dismiss the editor for expressing an opinion with which some disagree (or, carried a step further, for allowing such opinions to be expressed), this magazine could not exist.

L.B.

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No. 107 (November 6, 1975) Co-operation between Canada and the European Community in the realm of the environment.

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No. 109 (November 13, 1975) Angola.

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- 119 (December 8, 1975) Organization for Economic Co-operation and Development — review of education policies in Canada.
- 120 (December 8, 1975) Canada-Belgium Cultural Agreement Mixed Commission.
- 121 (December 9, 1975) Diplomatic appointments — Malone, Ambassador to Finland; Godsell, High Commissioner to Bangladesh.
- 122 (December 8, 1975) Canada exhibits at Prague Quadrennial, in theatre design competition.
- 123 (December 9, 1975) Conference on International Economic Co-operation.
- 124 (December 10, 1975) Cultural agreement between Canada and Belgium.
- 125 (December 12, 1975) Canadian participation in United Nations peacekeeping activities in the Middle East.
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Bridgetown, November 20, 1974

In force November 20, 1974

Extended by an Exchange of Notes signed at Bridgetown, December 8, 1975

#### **Colombia**

Exchange of Notes between the Government of Canada and the Government of Colombia constituting a Reciprocal Amateur Radio Operating Agreement

Bogota, November 5 and December 2, 1975

In force December 17, 1975

#### **Morocco**

Convention between the Government of Canada and the Government of Morocco for the avoidance of Double Taxation and the prevention of Fiscal Evasion with respect to Taxes on Income and on Capital

Ottawa, December 22, 1975

#### **Norway**

Agreement between the Government of Canada and the Government of Norway on their Mutual Fishing Relations

Ottawa, December 2, 1975

Exchange of Notes between the Government of Canada and the Government of Norway amending the Agreement of July 15, 1971 on Sealing and the Conservation of Seals Stocks in the Northwest Atlantic

Ottawa, December 8 and 12, 1975

In force December 12, 1975

#### **U.S.S.R.**

Exchange of Notes between the Government of Canada and the Government of the Union of Soviet Socialist Republics concerning fisheries matters of mutual concern

Ottawa, December 22, 1975

In force December 22, 1975

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Agreement between the Government of Canada and the United Nations regarding the Arrangements for *Habitat* United Nations Conference on Human Settlements

1976

New York, December 23, 1975

In force December 23, 1975

### *Multilateral*

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Done at London, May 20, 1975

Notification of Canada's Acceptance deposited December 9, 1975

Customs Convention on Containers

Done at Geneva, December 2, 1972

Signed by Canada December 5, 1972

Canada's Instrument of Ratification deposited December 10, 1975

Date of entry into force for Canada July 10, 1976

Agreement on an International Energy Program

Done at Paris, November 18, 1974

Signed by Canada November 18, 1974

Instrument certifying Canada's consent to be bound deposited December 17, 1974

(Canada signed and certified its consent to be bound "to the extent not incompatible with its Constitutional system".







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# Change in Asia as eras end offers hope through realism

by David Van Praagh

New realism has settled on Asia with the end during 1975, in extraordinary rapid succession, of four eras.

The war in Vietnam ended in April with the Communist capture of Saigon. Democracy in India ended in June with Indira Gandhi's proclamation of emergency rule. The process of growing up again ended in Japan in October with Emperor Hirohito's expression of regret at the White House about the Second World War. Ideology ended in China during the final year of the third quarter of the century with old revolutionary leaders beginning to give way to new nationalist leaders.

Even if these eras are partly mythical — U.S. troops in I Corps, for example, are more real than some aspects of Indian democracy —, a new Asian pattern could hardly have emerged more quickly if it had been drawn by some unseen Oriental hand. The year 1975 saw the abrupt culmination of the troubled postwar period, and so became a springboard for the next generation and possibly for years beyond the turn of the century.

The new pattern is not necessarily a neat one. It is by no means certain that the next 25 years or so in Asia will be less troubled and dangerous than the past 25 or 30 years. But it is easier now to see men and nations, events and trends, in an enormous continent containing, now as in the year 2,000, between 50 and 60 per cent of the world's population. Change is taking place faster, and is based on the growing recognition that political stability can be secured only by fair distribution of economic benefits throughout the cities and, even more important, the countryside, of the Asian nations.

Let us consider the directions of change in India and China — the two largest developing nations of Asia —, in the quickly-developed Japan and in the vulnerable region of Southeast Asia, to see where they may point the same way and where they may lead down different or conflicting roads.

In India, it is now clear that political democracy could not work without commensurate spread of the fruits of economic progress to ordinary, poor Indians. Democratic institutions are not to blame, as is often believed by persons in the West whose own political self-hate stems largely from events in Asia and who wrongly assume that people cannot think because they cannot read and do not have enough to eat. On the contrary, a magnificent political system envied by other Asians and designed to provide widespread benefits was demolished by a leadership that had done little to meet the demands of the Indian masses for a decent life.

The system, and the popular will on which it rested, would ultimately have caught up with Mrs. Gandhi and her Congress party. They almost did so as early as the general elections of 1967, when there was a significant protest vote against Congress politics of caste and class exploitation. They may well have done so in free elections that had been scheduled for early 1976. In substituting the machine-gun for the ballot-box eight months earlier, Mrs. Gandhi, like dictators elsewhere, claimed she had acted to save the

*Springboard  
for the next  
generation  
and century*

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*Indian Prime Minister Indira Gandhi has been at the centre of controversy during the past year. Convicted before the courts for using corrupt practices to win her Parliamentary seat, Mrs. Gandhi refused to resign and instead made ex post facto changes in the law and tightened her own control on the Government. She is shown here shortly after her conviction surrounded by Members of Parliament who had come to her residence in New Delhi to show their support.*

system. There is poetic injustice in her jailing men and women who inherited a non-violent tradition of civil disobedience from Mohandas K. Gandhi as a means of fighting selfishness and corruption in high places.

The ruling Indian National Congress not only broke India's tryst with democracy, to paraphrase Jawaharlal Nehru's speech on the eve of Indian independence in 1947 about keeping a "tryst with destiny". As Prime Minister, Mrs. Gandhi has also gone back on another promise by her father in that stirring address delivered moments before midnight brought freedom from foreign rule. "The service of India means the service of the millions who suffer," said Nehru. "It means the ending of poverty and ignorance and disease and inequality of opportunity. The ambition of the greatest man of our generation has been to wipe every tear from every eye."

#### **Unfulfilled**

That ambition of a greater Gandhi has not been fulfilled. Poverty and the other symptoms of an unreformed society have not been abolished. The Gandhian ideal of

building an equitable society from the top down has not been achieved. Asia's greatest democratic experiment has failed. It can hardly be resurrected by phony elections or by superficial economic improvements resulting from a good monsoon and petty fears of petty bureaucrats.

If peaceful consensus has not worked in India, what will work?

Mrs. Gandhi has shown herself capable enough to manipulate her police, censorship and political apparatus to remain in power for an indefinite period. But to imagine that this will last, as popular sentiment and anger tick ever more loudly away on India's alarm-clock, is as unrealistic as to believe that Indians cannot get more than enough food for themselves under enlightened leadership. It is true that the masses that, as the Marxist Communist leader Jyoti Basu once told me in Calcutta, "We don't have the good conditions for a revolution on the Chinese model will not necessarily come about in India. The Indian Army does have guns, however; it has no love for either Mrs. Gandhi or the Indian police, and may be the only all-India alternative to chaos at the first, or second bad monsoon."

*Mrs. Gandhi has gone back on father's promises*



Even if the Army intervenes, the ultimate solution and perhaps the best hope for the subcontinent may be that smaller nations will emerge as Indian nationalism wanes. At least some of them, such as the Punjab (as a Sikh republic), Maharashtra, Gujarat and Tamil Nadu (or possibly a federation of Dravidian states in what is now South India), would have the strength and willingness to help their own people that would be needed for survival.

### India partitioned

The land mass encompassing British India and the princely states has already been partitioned twice in one generation. One result, Pakistan — even less reformed than independent India though enjoying a slightly higher economic level — might also survive further upheaval by keeping Sindh and the Moslem share of the Punjab together. The other result of partition, Bangladesh, has sunk deeper and deeper into economic and political catastrophe since its creation in 1971; as regressive as it may sound, the only hope of Bengali Moslems may be that wealthier Islamic nations will bail them out against a resurgence of desperate Hindu nationalism in North and East India.

Many Westerners, and many other Asians, comfort themselves with the belief that the effects of the irrational ethnocentric drives governing conduct in the Indian subcontinent can be confined to that region. Recent history does not altogether bear them out, and the possibility cannot be discounted of planned or unplanned military conflict in the subcontinent reaching further — perhaps much further — afield.

While no outside power has been directly involved in the series of wars fought by New Delhi — except for China, in the brief Himalayan war of 1962 — , super powers, including the United States, have come close to being drawn in. Mrs. Gandhi's Government has a security pact with the Soviet Union, and increasingly sees Iran as a rival for regional dominance. India has a nuclear bomb — acquired through Canadian technology provided for peaceful purposes — and is building not only medium-range missiles but intercontinental ballistic missiles as a sign of its bid for something less than global superpower status. Forward-looking Indians find justification for their international actions in their own world, and this is reason enough for the rest of the world not to look on the subcontinent as an entirely isolated part of Asia.

The end of ideology in China cannot be assigned to a specific day or month, or

event. Indeed, Westerners may have only imagined ideology as the predominant element in revolutionary China during the past quarter-century, or may have been led to believe in it by master Communist propagandists. Maoist precepts certainly have been used to cover up the mistakes made in rebuilding an old, impoverished society from the village up. Beliefs attributed to a legendary Mao Tse-tung, or to some new super-charismatic figure, may be similarly propagated to hide new mistakes or new dislocations in Chinese society.

But Red China's zigzag road of advances and setbacks appears to be giving way to a rational, comprehensive plan for rapid economic development during the next quarter-century. The fading-away of Mao and Chou En-lai throughout 1975 signals an increasingly open realism. The key facts are that a new set of Chinese leaders is in the process of replacing Mao and Chou, and that both old and new leaders clearly want to avoid a violent power struggle and to launch agricultural modernization safely.

Despite the slow but deliberate emergence of the past five years, we still know little about the People's Republic. A tendency in the West to glorify happenings in China, going back to Edgar Snow's interviews with Mao and his account of the Long March in the 1930s, has never been abandoned. Unlike Mahatma Gandhi's India, which did not have a revolution, Mao's China had a long one against entrenched privilege represented by the Kuomintang and foreign influences. The revolution succeeded in bringing about drastic changes in traditional Chinese society and culture. It was violent, and it inevitably brought an authoritarian system of government into being. But today China, like other low-income nations, needs time and peace to develop economically and consolidate politically. It may be just as inevitable that, to succeed, the new strategy must increasingly entail popular sharing in decision-making and the benefits of progress.

### Clear-links

Although there is much that is not known about China, the links between agriculture, internal politics and foreign policy could hardly seem clearer. The late Chou En-lai forged these links before his illness put him out of action, and Deputy Prime Minister Teng Hsiao-ping — a living symbol of the new Chinese pragmatism — was entrusted with making sure they did not break.

Slogans still play a role. At the National People's Congress in January 1975,

*Mistakes  
hidden  
by precepts*

*Time and peace  
required  
for China's  
economic  
development*

Mao uttered the bywords "unity" and "stability". Supporting the third essential of "production", Chou announced a new five-year economic plan calling for "an independent and relatively comprehensive industrial and economic system" by 1980, on the way to the attainment by China of its goal of becoming "a powerful modern socialist country by the end of the century".

But actions speak louder than words in the new new China. The gathering of party delegates from all over the country in October at the model Tachai Commune in Shansi Province, three months before Chou's death, indicated that agricultural modernization would be the key to industrialization and that the main objective by 1980 would be mechanization of an ancient but increasingly productive agriculture. Simply because agricultural output is the centre-piece of the new Chinese strategy — and the Russians are doing so poorly in this vital field — even Peking's continuing ideological diatribes against Moscow have a practical, down-to-earth quality. As Teng, before he was exiled by the Cultural Revolution, explained the necessity of growing more grain by any means, including material incentives for individual farmers: "It doesn't matter whether a cat is black or white so long as it catches mice."

The fact of Teng's taking command with Mao's obvious blessing when President Ford went to Peking last December demonstrates how this pragmatic streak extends to Chinese foreign policy. The Chairman and the Deputy Prime Minister not only lectured Ford and Secretary of State Kissinger about the dangers of *détente* with the Soviet Union — Chinese and U.S. interests "converge," in Kissinger's hardly-noticed account of the talks in Peking, "in the perception of both countries about their relationship with Japan". This amounted to more than Chinese endorsement of the U.S.-Japanese security pact and the U.S. military presence in Korea. China's relations with Japan are economic, and are a keystone of the Chinese leadership's ambitious plan to attain economic greatness by the twenty-first century.

### Three-way relation

It is not too much to say, in short, that a subtle but powerful three-sided relation, based on convergent interests, is quickly growing up between China, Japan and the United States.

The end of the Vietnam war having placed Peking and Moscow in more of an adversary relation in Asia than ever be-

fore, the Chinese are unabashedly rely on U.S. naval and air power to block Soviet encirclement. Moreover, they are arranging to buy modern Western military equipment and technology to update their armed forces against any Soviet threat.

With the apparent end of a period of internal economic uncertainty, caused, at least in part, by ideological strains, Chinese leaders are going into debt to buy whole factories from Japan. They are acquiring American technology for rapid development of major on-shore and offshore oil resources, with the huge new door Japanese market in mind. And they are clearly following the Japanese economic model in planning to industrialize with savings from surplus agricultural production.

A successful bid for power by ideologues such as Wang Hung-wen and Ching could upset economic priorities again, cause a long political struggle involving the People's Liberation Army, and even bring about warmer relations with Moscow at the expense of carefully-cultivated ties with the capitalist world. China is not immune to the deep problems besetting any developing country (for anything, population growth does not appear to have been brought under control) or the risks in the transfer of power to hover above any totalitarian government. But agricultural growth is impressive. If it is successful, it can hardly help but lead to economic diversification and political liberalization. These trends in China are unexpected but tremendously gratifying boosts to prospects for peace and progress in non-Communist Asia.

### Japanese re-emergence

Japan would have come of age again as No. 1 non-Communist Asian power without China's needing trade and technology from the major industrial nation on its doorstep more than from any other nation. Nor did the Japanese need the end of the Vietnam war to understand that Washington hardly had anywhere else to go in Asia but Tokyo. Moreover, demonstration of clear capability by the Indians, whom the Japanese regard as the antithesis of efficient economic performance, did not cause the Government of Prime Minister Tanaka to lose its newly-attained cool and confident stance.

But these developments reinforce Japan's hard-won position 30 years after the Second World War as a full and equal partner of the United States in Asia and the Pacific. This status does not rest on the usual military strength, nor is it meant to. That may be why few Western

*Ideological diatribes now reflect down-to-earth qualities*



med to recognize Miki's visit to Washington in mid-1975, or even Hirohito's symbolic attendance at the White House shortly thereafter, as heralding the end of an old era and the beginning of a new one for a nation that had oscillated between contraction and expansion, between Asia and the West, between tradition and modernity. Many Japanese are themselves still uncertain and confused.

Nonetheless, Japan has become what Foreign Minister Kiichi Miyazawa calls a "stabilizing force indispensable to the maintenance of international co-operation." This claim does not envisage the venerable island nation's becoming a great military power again — or a nuclear power of any rank. More important in Japanese thinking is the attainment of a special position *vis à vis* both the United States and China, and towards Southeast Asia too.

### Lessons learnt

The Japanese have learnt many lessons during the past three or four decades, and are well placed to teach others in the coming years some of what they have learnt. They industrialized for the Second World War on savings from high-yielding agriculture. They conquered almost all of East Asia, only to experience nuclear devastation, military defeat and foreign occupation. Having thrown the white man out of Asia, they accepted and adapted to the white man's democracy. After the war, they resumed breathtaking economic growth by reindustrializing, introducing "consumerism" and entering world markets, all on an agricultural base. While Japan will not ratify the nuclear non-proliferation treaty in the foreseeable future, and probably will soon accede to U.S. pressure for extending its naval arm as far north as its present oil lifeline through the Strait of Malacca, it lays legitimate claim to being a great power today on the basis of the economic miracle it has performed.

The Japanese believe their economy is still vulnerable to Arab oil. But the oil embargo and sharply-higher oil prices following the 1973 Yom Kippur War did nothing for the Japanese they would have had trouble doing for themselves. The oil crisis took the heat out of an economy that by some projections would have been using most of the world's resources by itself by the end of the century.

The resulting inflation was bad, but has been brought under control and consumer demand is being restimulated. Japan is coming out of the world-wide recession of the mid-1970s expecting annual growth-rates in gross national product

of 4 to 7 per cent; it will not go back, if it can help it, to the days of 10 or 12 or even 15 percent growth-rates. And the time may not be far off when China instead of the Arabs will be Japan's main oil-supplier.

Japan's potential in helping "maintain international co-operation" is reduced by characteristic nervousness about losing what has been gained, or even what might be gained. The "Ugly Japanese" image, like the "Ugly American" image in Asia, is not altogether fictional. While Miki's tough-talking predecessor, Kakuei Tanaka, began to increase and liberalize Japanese aid to developing Asian countries, the recession resulted in sharp curtailment; aid officials admitted in mid-1975 that initiatives in this field were out of the question. The Japanese are back to business as usual in foreign markets, even if they are not liked by many Southeast Asians.

But the possibilities for regional economic ties and development, with Japanese investment and manufactured products playing a central role in a series of interlocking relations, are almost endless. The neighbouring Japanese and Chinese economies are finally, in fact as well as in theory, complementing each other. While a concrete plan has yet to take shape, Japan looks from the heights of a huge volume of trade with the United States, Canada and Australia towards a profitable association of "Pacific rim" nations. Japanese capital has immeasurably strengthened nearby South Korea and Taiwan.

### Southeast Asia

The impact of Japanese values on the Southeast Asian "life-styles", actual and hoped-for, has been greater than the impact of anything the Chinese or Americans or Russians have been able to export. Even with Indochina fallen under the domination of the Spartan North Vietnamese, this capitalist influence can be expected to increase rather than diminish — as long as the unacknowledged but potent three-sided relation of China, Japan and the United States continues to grow and to expand to countries touched by the spheres of all three powers.

It is foolish to underestimate the damage to Western prestige caused by the military victories of native Communist-led forces backed by Hanoi in South Vietnam, Cambodia and Laos. At the same time, little purpose is served by going over the mistakes made by the United States in committing as much as it did to the defence of governments in these countries against the last anti-colonial movement in Asia.

*Japanese  
and Chinese  
economies  
complementary*



*The author of the accompanying article, David van Praagh, carried his camera during a recent visit to Asia. The above photographs illustrate his theme of the changing face of Asia. On the left is a scene from the morning market-place in Vientiane under Communist rule, while on the right is the famous Bullet Train in Tokyo.*

The fact that events in Asia are no longer strained through the prism of massive U.S. involvement in a small part of the continent permits Asians as well as Americans to see more clearly. The double shock of the collapse in Indochina and the dwindling of the U.S. presence in Asia was salutary in a sense. Part of the new Asian realism is recognition of North Vietnamese expansionism. The changing Chinese leadership is keenly aware of it and is moving to restrain Hanoi in Laos, Cambodia and Thailand.

### Three parts

Southeast Asia is divided now into three parts: Communist-led authoritarian governments in Vietnam (which will be formally reunified on or soon after the first anniversary of Saigon's fall on April 30, 1975), Cambodia and Laos; military-led or -supported authoritarian governments in Indonesia, the Philippines and Burma; and governments making their own way towards economic and political reforms in Thailand, Malaysia and Singapore.

This does not present an encouraging picture. But trends in the non-Communist country on the "front line" in Southeast Asia, Thailand, are positive, if still uncertain. If the Thais succeed in making constitutional democracy and rural development work in the next few years, a turnaround in the region could come about, depending on constructive economic co-

operation in Asia by China, Japan and Western nations.

The story may be apocryphal, but Chairman Mao is said to have told Thai Prime Minister Kukrit Pramoj in Peking in June 1975: "Don't shoot your Communist insurgents, they'll become martyrs; don't use propaganda against them, they'll fight back at it; don't fight them, they'll fight back." His implied message was that only effective counter-insurgency is the distribution of wealth to peasants.

In the view of some, the Chinese are pulling the wool over the eyes of non-Communist Asians like Kukrit anxious to come to terms with Peking after the end of the war in Indochina. But China in its own period of transition stands to gain from further war or from depressing the region instead of developing Asian markets. Kukrit, a shrewd journalist, and Singapore's Prime Minister Lee Kuan Yew, a hard-headed Chinese noted for putting the region in a broad perspective, have both adopted articles of faith the importance of popular sharing of economic benefits and the belief that China will extend "familial" support to countries where such sharing serves its interests. If the Association of South Asian Nations becomes an economic and political force, it will not be through "neutralization" or adding Communist members, as Malaysia advocates, but by developing a free-trade zone, taking special account of Thailand's exposed position.

*China seeks to restrain expansionism by Hanoi*



establishing full relations with China as a group.

The trouble with even cautiously optimistic forecasts is that so much can still be wrong in Southeast Asia.

Cambodia and Laos are in danger of ceasing to exist as nation states. The almost desperate overtures of the Khmer Rouge leaders to Peking and Bangkok indicate realization of how vulnerable they have made their country to North Vietnam by dismantling its infrastructure and demoralizing its people. The non-violence of the Communist takeover of Laos has taken second place to the haste of the Pathet Lao leaders to overcome the special characteristics that saved the Lao people from absorption in the past. When Hanoi is tough forcing North and South Vietnam together, its "revolutionary" cadres can concentrate on supporting Thai guerrillas across the Laotian panhandle.

The danger in Indonesia, the Philippines and Burma is that the purblindness of their leaders in equating their own power with the welfare of their peoples will lead to fresh civil war and possibly inter-conflict. Students are daring to challenge the army officers under Ne Win who have ruined Burma's economy. As in India, there is little evidence in the Philippines that the "new society" arbitrarily established by Ferdinand and Imelda Marcos is worth the destruction of a democratic system that could have been used to rectify economic inequities. In Indonesia, disclosure of the mismanagement of Pertamina, the state oil monopoly, has led to doubts that foreign investment and aid are benefiting anyone but repressive, corrupt military officers; the problem compounded by the fact that political alternatives to the Suharto regime have been abolished.

In Malaysia, the Malay leaders know what has to be done to "restructure" a multi-racial society fairly but they have not done it. Even in the more adaptive society of Singapore, the People's Action Party under Lee persists in believing that it has all the answers for economic growth and political accountability.

Early in 1974 Seni Pramoj, Thailand's perpetual opposition leader and Kukrit's elder brother, laughed off questions about economic development by saying that all Thai peasants had enough to eat. In mid-1975, a few months after he had served, for the second time in Thailand's history, as interim Prime Minister, Seni engaged in a long monologue about the need for concrete economic development measures, especially to help landless peasants whose numbers are increasing in number in the central

rice-growing plains. The contrast says something about what is happening in Thailand.

Following the student overthrow of backward military rulers in October 1973, constitutional democratic government has been relaunched. But the Thais quickly realized that it would succeed only if rapid development of the countryside brought the rural population into the country's mainstream. Kukrit's civilian coalition government is trying to bypass and deflate Bangkok's economic balloon and build the first defence of the nation and the rest of non-Communist Southeast Asia among the surplus rice-producing peasantry. There are risks involved, as the fascist-like goons paid by reactionary police officers to riot against change have demonstrated. But Kukrit has not panicked; most Thais are offended by unnecessary violence, and the risks of not changing to suit Thailand's real nature are greater. The Thais, the only Southeast Asian people not to be colonized, are in a race whose outcome will influence their destiny and that of other Asians.

*Thailand seeks to bring rural areas into mainstream*

### **Economic and social justice**

The scenario for Asia in the next 25 years will be determined largely, as it was in the past 25 years, by how governments and peoples react to the proposition that political stability and liberty can grow only out of economic and social justice. The difference with the past, the new Asian realism, lies in the recent dramatic evidence of what happens when this principle is rejected or ignored.

It is too late to prevent widespread suffering, repression and probably chaos in India and the subcontinent because this simple notion was never taken seriously there. With luck, what may be prevented as the peoples of the subcontinent grope toward new national identities is the spread of conflict to other parts of Asia and the world. If we are unlucky, the opportunities of others for peace and progress will be sapped by mass agony spilling out of India.

*India's agony could destroy world's peace*

The Chinese people are beneficiaries of the apparent acceptance of the crucial lesson for developing Asian countries. If the lesson is rejected because only Chou En-lai among the Communist leaders learnt it well or because a violent struggle for political power takes precedence, then not only China but other Asian nations will lose, and the Soviet Union will gain.

Japan is the progenitor in Asia of the link between economic and political vitality. Japan as model and partner for China and Southeast Asia will help spread peace,

prosperity and possibly democracy. Japan simply as profiteer or partner, mainly in racial chauvinism, with China could help bring about another world war.

Southeast Asian nations, released from the Vietnam war, will sink into new quagmires if Communist partisans advance from Hanoi and champions of right-wing "discipline" prevail in Djakarta, Manila and even Bangkok. But Thailand is taking an

enlightened approach to popular welfare and the potential for co-operative and constructive endeavour by China, Japan and the United States in economic, political and military fields is high.

The positive elements listed above, while they have not yet taken sure hold, offer the distinct possibility of a more realistic, more hopeful era for Asia in years ahead.

*Ocean of opportunity?*

## The Pacific concept in foreign policy

By H. Edward English

During the past eight years, the high policy of the United States in the Western Pacific, for the most part supported by the other industrially-developed countries of the area, has collapsed in the shambles of Vietnam. Efforts at new initiatives in the area have focused on China, and may be said to have ended the unrealistic policies of the past, if not to have established any clearly constructive trends. Meanwhile, both the Chinese and other more global U.S. initiatives have neglected and even offended America's most important Pacific ally, Japan. No one supposes that a warm welcome for Hirohito is an adequate compensation.

In Washington and elsewhere, one thing is now widely accepted — that in the Pacific, whatever the objectives, the most important arenas of policy-making are economic in nature. Japan and Southeast

Asia are still among the most dynamic forces in world trade. Collectively the region undoubtedly possesses the great unrealized potential for the next generation of trading opportunities. In the sphere of international private and public (aid) investment, the region also has several unique features — particularly the size of opportunities, relative to those of most other developing countries, and the receptivity and pragmatism of the region. For most of the countries of the area. Two important questions remain: What can be done better to identify and take advantage of these opportunities? And to what extent is it necessary or desirable to think or operate in Pacific regional terms rather than through the maze of bilateral relations that is the inevitable alternative?

To deal with these questions, it is instructive to recount the story of a unique group, mainly of academic and government economists, who have met seven times during the past eight years — twice in Tokyo (1968, 1973), once each in Honolulu (1969), Sydney (1970), Ottawa (1971), Mexico City (1974), and Auckland (1975). The group, called the Pacific Trade and Development Conference (PTDC), has attempted to identify the nature of Pacific area economic problems and the opportunities for meaningful operation.

The origin of the conference series is itself of interest. A major role was played

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Dr. Saburo Okita, Japan's most internationally-prominent economist, formerly head of the Japan Economic Research Centre, and member of the Pearson Commission, now President of Japan's Overseas Economic Co-operation Fund. He obtained financial support from the Japanese Foreign Ministry, then under the leadership of Takeo Miki. Now Prime Minister, Mr. Miki has frequently indicated his interest in specific policy initiatives for co-operation among nations that border or occupy the Pacific basin. Both Okita and Miki have apparently looked to the Pacific Trade and Development Conferences for practicable proposals along these lines. The conferences, being independent and managed largely by academics, have not sought a firm consensus on policy issues; but their programs and communiqués reveal an array of policy concerns whose order of emergence from the successive conferences itself has considerable significance.

#### First conference

The first conference, in Tokyo, attended by representatives of the five most industrially-advanced nations of the Pacific basin, focused on new institutional arrangements and, in particular, the feasibility of a Pacific free-trade area (PAFTA). While the economic implications of such a conception were considered favourable, it was rejected as politically impractical, mainly on account of the commitments to multilateralism, especially of the United States and Canadian Governments, and the concerns of North American (and probably also Australian) business and labour about the competitive strength of Japanese industry and about the extent to which trade liberalization could be achieved by removal of formal barriers, in view of the perceived effects of close links between government and industry in Japan.

The main innovation of the second conference, in Honolulu, was the participation of representatives from some of the developing countries of the Pacific area, and recognition of the importance of co-operation in support of development programs. The third conference, in Sydney, Australia, turned to foreign direct investment as a factor in Pacific area relations, considerable emphasis being placed on lessons from Canadian and Australian experience. One of the main themes that emerged was the importance of co-operation among the developing countries of East and Southeast Asia in harmonizing inducements offered to prospective overseas investors.

The fourth conference, in Ottawa (October 1971), focused on obstacles to Pacific trade, with particular reference to non-tariff barriers such as national agricultural policies (especially in Japan and the United States), tariff escalation affecting LDC processing industries, and such non-tariff barriers affecting trade in manufactures as government purchasing policies in the United States and administrative controls in Japan. The search for policy solutions was overshadowed by a debate about the short- and long-term implications of the famous Nixon measures of August 15, 1971.

The fifth meeting, in Tokyo, reviewed structural adjustment policies, calling attention to their importance in alleviating the transitional costs of those sectors most affected by the impact of trade liberalization. The very existence of such policies was seen as vital to the prospect of achieving substantial liberalization of trade, especially if such liberalization was to serve the interests of the labour-intensive manufacturing industries so vital to the development expectations of developing Asian countries.

*Liberalization of trade requires policies to ease transition*

#### Growing involvement

The sixth meeting, in Mexico City, dramatically reflected the growing involvement of Latin America in Pacific affairs, with Mexico and the Andean group being particularly well represented. The theme, transfer of technology, brought foreign direct investment back into centre stage. The conference focused on the alternative means of transferring and adapting technology, including the importance of trade and aid policies. The value of codes of conduct and national or regional policies designed to increase the social benefits to host countries was reviewed, with some emphasis on the pioneering experience of the Andean group. Another notable feature of this meeting was the first involvement of Soviet economists, demonstrating their country's search for a role in Pacific economic relations.

The most recent conference, in Auckland, New Zealand, dealt with the implications of disparities, not primarily those between the U.S. and Canada, which preoccupy many Canadians, or between Japan and Australia, but those between Australia and New Zealand and the tiny island states of the South Pacific whose populations have depended on them for employment opportunities as well as capital and markets.

As the PTDC moves towards planned meetings on Pacific trade and employment, in Thailand (July 1976), and an orderly

exploitation and exchange of the natural resources of the region, in the United States (1977), it is clear that interest in discussion of the area has not waned. It is clear also that stocktaking is in order. What practical significance have these Pacific perspectives for the governments and people of the region? Is there not such a hopeless diversity in the region that nothing of practical significance can come from Pacific co-operation?

The *Pacific* pamphlet in the *Foreign Policy for Canadians* set answers this question as follows: "The underlying need of the nations of the Pacific is to identify and strengthen the stabilizing influences that do exist, and to lose no opportunity to develop other possibilities that do arise."

The first requirement in giving substance to Pacific co-operation is to define the arena in a way that incorporates all the significant actors and assigns plausible constructive roles to them. The Pacific area actors may usefully be grouped as follows:

- The leads — Japan and the United States;
- the major supporting roles — East and Southeast area and Pacific island developing countries;
- the secondary roles — Pacific-oriented Latin American countries, especially the Andean group and Mexico;
- the catalytic roles — Canada, Australia and New Zealand;
- the roles that have not been written — the U.S.S.R. and China.

While the most vital relation in the Pacific region is that between the United States and Japan, its dynamics necessarily involve the other major actors. This is because the two countries acting alone do not and cannot play a dominant role either in preserving the peace and security of the region or in promoting economic development. Japan's direct role in security matters is circumscribed, and there are as many good reasons for leaving it circumscribed as for making what might be a highly-disruptive change in that role, not the least of which are domestic political reasons in Japan. The closer linking of American and Japanese economies through liberalization of trade and investment barriers that still exist on both sides is unlikely to occur except in the context of broader arrangements, if not at the GATT and OECD at least in ways that would be open to other willing partners in the developed world — namely, Canada, Australia and New Zealand.

The question then becomes what motivation would bring the United States and Japan into active economic co-operation in

new directions, or at least by new means. The answer may be North-South relations. There is an interesting parallel between Japanese relations with Southeast Asia and U.S. relations with Latin America, in both cases there are substantial trade and investment commitments. In both cases there is also concern on the part of the developing countries about the extent of the influence of the regional economic great power, and there is an interest in wider involvement. This need is very clearly perceived by Japanese officials who have expressed their views at PT meetings. Believing that its influence on the world is much affected by the success of its relations with Southeast Asia, especially the Philippines, Malaysia, Thailand and Indonesia, Japan is nevertheless convinced that it can be more effective in that area (i.e. can offer more effective investment and aid, and fuller access to markets for the produce of the region) than other developed countries, including the U.S. and Canada, co-operate in supporting in parallel ways the economic development of the region. Japanese officials have urged similar Canadian commitments in the same area, and Australia is already involved. There can be little doubt that the region is so large, and the economic potential so realizable, that trade and investment policies can play a substantial role in promoting sound economic growth and in making whatever contribution economic policies can make to the political stability of the region. Thus what is envisaged is some form of joint program involving Japan, the United States, Canada, Australia and New Zealand in trade negotiations, and capital mobilization through private investment, official aid, etc.

### Japanese investment

Increased investment activity by Japan in Latin America opens up an opportunity for diluting U.S. "dominance" in the region by parallel collective efforts involving Japan and other Pacific countries. Whether efforts should necessarily encompass the whole Pacific in large development schemes is a question requiring much further examination, but the promising lines would be systematizing Japanese and Canadian engagement institutions or programs directed towards assisting individual Latin American countries or groups — e.g. the Andean group.

For Canada, Australia and New Zealand, there are similar advantages, at least of a political nature, in being part of an arrangement including both Japan and the United States rather than only one of them.

*Co-operation  
between U.S.  
and Japan  
not sufficient  
for development  
or security*



The role of the Soviet Union, of China and perhaps also of other neighbouring economic powers (e.g. Brazil, India) might also be clarified in the Pacific if arrangements could be devised to cover important new areas. The participation of such countries, either as full members or observers, could be encouraged to the extent that they found it possible to accept terms and conditions that satisfied the group as a whole.

#### **matters of substance**

What matters of substance should these regional arrangements attempt to encompass? The first seven meetings of the TDC series indicate a number of specific policy areas as being among the most worthy of attention:

First, parallel trade concessions should be made by the five developed countries to the developing countries of the Pacific area, either to the entire group or to sub-regional groups such as the ASEAN and Indian Ocean countries. This could be encompassed in a kind of "Yaoundé Convention" for the Pacific. The concessions might take the form of acceptable preferential margins of unilateral free access for those categories of goods that are agreed to be of greatest importance to the development strategy of the group. It is entirely appropriate to provide special encouragement to the regional groups of developing countries, since it is widely agreed that such groups are more likely to develop a pattern of production that reflects demand and supply conditions in the developing countries themselves, while similar concessions to individual developing countries tend to bias their production patterns towards consumption patterns in developed countries.

Secondly, the Pacific countries might experiment with new forms of commodity agreement covering agricultural products and other raw materials. Since the Pacific includes two large net importers, three smaller developed countries that are net exporters of several commodities but importers of others and numerous small- and medium-sized countries that are dependent on one or two raw-material exports, the Pacific area might be well suited to the achievement of long-term contracts with multiple suppliers, flexible price guarantees and buffer stocks. Even where countries outside the Pacific region would need to be included in order to ensure the effectiveness of price-stabilization programs, the Pacific group could serve as a more manageable designer of model agreements.

Should multilateral schemes not be

practicable, bilateral arrangements covering long-term supply contracts might be negotiated through a Pacific authority covering situations where very small (island) countries could advantageously co-operate in meeting the requirements of the larger buying states of the area.

Thirdly, Pacific countries might try to work out a code of conduct governing private direct-investment transfer of technology and related public policies of host countries. Such a code should cover conditions under which investments occur, the practices of foreign-owned enterprises that limit competition in the host countries, and the policies of host countries that are likely to discriminate undesirably among investors, resulting in excessively generous or harsh terms governing investment or the subsequent operation of multinational enterprises. One cannot be too sanguine about the practical value of such codes, but they are likely to be taken more seriously if both host country and country of investment origin are represented.

#### **Ocean exploration**

Fourthly, Pacific countries might devise a general framework for ocean-resource exploration, and foster negotiation of contracts among countries that can supply technology and capital in exchange for some rights to sharing the product of successful projects. The general framework could be an authority that engages in developing guidelines or agreements leading to sustained-yield practices in fishing and whaling. The authority could also advise on the terms of contracts for exploitation of the mineral resources of the oceans between private or government enterprises from capital- or technology-exporting countries and the small developing countries off whose shores the resources are located. Where resources are outside territorial waters, authorities might be prepared to arrange consortia to avoid, or at least to help negotiate, acceptable guidelines for the settlement of disputes.

These particular issue areas are intended primarily to illustrate what is likely to be important to Pacific area developed and developing countries in the years immediately ahead. The main reasons for claiming that there is a strong basis for co-operation among some or all of the countries of the area can be listed quite simply:

(1) The opportunities of trade in both raw materials and manufactures, investment, and ocean-resource development are all so substantial in the area that there would seem to be a larger return from

*Authority  
to develop  
guidelines  
required*

measures that would ensure the most favourable and equitable conditions for realizing these opportunities.

(2) There is at present less machinery for reconciling interests and fostering co-operation than in any other part of the world. Only the Asian Development Bank directly serves some of these purposes, but only those appropriate to a regional bank.

(3) The Pacific area includes all the major non-European economic powers. Since most of the world's other regional arrangements are numerically dominated by the European countries, and since these countries now devote very limited attention to Pacific (including Latin American) concerns, Pacific area institutional arrangements could help to redress the imbalance in North-South relations, while in no way undermining the contribution made by initiatives originating in such organizations as the EEC, GATT and the OECD.

(4) The developing countries of Southeast Asia have demonstrated a particularly pragmatic approach to relations with developed countries and fewer ideological "hang-ups" than many other developing countries. Whatever the reason, they are undoubtedly able and willing to evaluate trade investment and other arrangements on their merits and may by their example make the institutions of North-South and regional co-operation elsewhere work more effectively, if they are offered the opportunity and appropriate incentives by the developed countries bordering the Pacific.

(5) The Pacific basin has within it two of the newest regional groups of developing countries — the Andean group and the ASEAN group. These have an opportunity to learn from the shortcomings of previous efforts at regional integration. For the most part they want, and may be expected, to work out their own destinies, but there can be little harm and much potential gain if the developed countries of this region indicate a collective willingness to do what they can to increase the prospects of success of such regional organizations.

### **Institutional framework**

All the foregoing has pointed to particular issue areas in which Pacific-based initiatives would have some rationale. No general institutional framework has been suggested. This does not mean that some such framework might not be worth contemplating. Both Japanese and Australian participants in PTDC meetings have suggested that an "Organization for Pacific Trade and Development" be considered, a

body with the breadth of the OECD perhaps two additional characteristic full membership of developing countries its general councils and a greater emphasis on trade arrangements. The first feature reflects the spirit of the so-called "New Economic Order", in which developing countries take an equal part — though, purpose of preparing some of the arrangements suggested earlier, the organization might permit division into developed and developing sub-groups and various institutional groups (relevant to particular commodity problems, etc.). Most, if not all the trading arrangements suggested these pages are compatible with GATT as modified by the now-accepted principle underlying the generalized system of preferences.

One might go still further and contemplate a free-trade association among the developed countries of the Pacific with unilateral free access at the end of the transition period for all products to the developing countries of the region. This idea still suffers from the political disabilities listed earlier, largely of historical origin, but it could yet receive more serious attention as the means by which the United States and Japan would invite a final acceptance by the European Economic Community of the millennium of free trade, at least for industrial products, frequently proposed for the last decades of this century — more recently by Japan at the Paris summit conference of November 1975.

### **Canadian role**

In recent years Canada has been looking both East and West for meaningful links with European and Asian economic powers. One may have reservations about how substantial are the results of the quest to date, though the European forays and Canada's leadership have more than realized the rhetorical opportunities in that direction. As for the Pacific, Canadian efforts in Tokyo and Peking have enlarged communication links and upgraded diplomatic representation significantly. What remains is the need for a framework for involvement in the Pacific area that will enable Canada, among the others, to share in the very real opportunities of expanded trade and investment, with dynamic developing countries as well as the economic super-powers of the region. It is significant that the Pacific is an area where Canada is not the only country seeking counterweights to traditional powers and where the set of counterweights may open doors to new regional and regional links and an expanded role for "catalytic" actors such as Canada.

*Pragmatic  
approach between  
developed and  
developing  
countries in  
Southeast Asia*



# China's neighbours must choose between Peking and Moscow

by Gérard Hervouet

The collapse of Cambodia and then South Vietnam in the spring of 1975 caused a marked shift in the balance that had previously existed in the region. While the decisive influence of the United States, the Soviet Union and Japan in this sub-system should not be underestimated, it is important to recognize the growing role of China in Southeast Asia. The events that have occurred in this region during the last few months and the new attitude towards China assumed by the countries most closely involved seem to have made the Peking Government the kingpin round which each nation now hastens to readjust its policies.

As always when one comments, however briefly, on China's foreign policy in Southeast Asia, one is tempted to evaluate change, or adaptation to new conditions, first of all by placing it in a broader historical context.

## Centre of attraction

Because of its geographical proximity and obvious cultural affinities with its immediate neighbours, China has always been a centre of attraction for these nations. The way in which, for more than 2000 years, China saw itself as the only great empire on earth, as the only civilization and the only culture, has been thoroughly discussed many times. The Emperor, the Son of Heaven, represented all mankind. He was the link between heaven, whence came his mandate to rule over men, and earth. The ties between China and its southern neighbours were codified and fitted into what was called the "tributary system". This system, which institutionalized, as it were, the Confucian conception of a world in which every nation had a well-defined place and role, was based on an arrangement whereby each tributary state had to send representatives to China periodically to renew its oath of allegiance and bear its tribute.

For the casual observer with a knowledge of Chinese imperial history, it is only a small step to conclude that a new tribu-

tary system is taking shape in this region. The great Sinologist C. P. Fitzgerald wrote several years ago that China's whole Asian policy was aimed at re-establishing in a contemporary form the old system of tributary relations that reigned for many centuries, and that, in the eyes of the Chinese, this was the only desirable "natural" way of maintaining ties between the major power and the minor nations.

However reluctant we may be to support this theory of historical continuity in China's foreign policy, it is easy to find a number of present-day examples to prove that the imperial tradition is still alive.

## Frequent visits

We cannot help being struck by the present frequency of trips to China by delegations from Southeast Asian nations. The victories in Cambodia and South Vietnam seem to have evoked a "tributary reflex" since the end of April 1975 among the great majority of states in the region. Indeed, if we consider the period from April 17, 1975 (fall of Phnom Penh), to September 30 of the same year, we note that no fewer than 20 delegations from Southeast Asia visited China. In the space of five and a half months, therefore, the Chinese capital received almost as many delegations as it had received during the 24 months preceding April 17 (22). During the same period, the Philippines and Thailand both granted China diplomatic recognition, following the example given some time before by Malaysia.

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*Imperial tradition continues in Chinese foreign policy*

Besides analysing such symbolic behaviour, it would be easy to show that reference is often made to traditional ties with China in the speeches delivered by guests of Peking. However, confining our demonstration to nothing more than the age-old reflexes of a collective subconscious still existing in China and among its former vassals could only distort the examination of modern-day relations in this region. In this case, there are realistic attitudes behind these symbolic aspects. China's statements, like those of its neighbours, reveal a clear determination to answer the need for change and to adapt new conditions in the Southeast Asian sub-system to each country's own national interests.

From the content of addresses delivered on the occasion of official visits to Peking by Asian heads of state, we are surprised to find that, paradoxically, it is the guests of the Chinese Government who seem to put more emphasis on the symbolic side of their relations with China. However, contrary to what one might think at first, the leaders of the countries involved have every interest in seeing the re-establishment — on a new foundation, of course — of a system like that which enabled the *Pax Sinica* to reign throughout East Asia in the past.

### Not exploitative

We do know that the tributary system was not exploitative in nature. It was defensive, recognizing the principle of non-interference in the internal affairs of other countries and requiring nothing more from the feudal princes than homage to the moral superiority of the Chinese civilization. This helps us understand better the words of President Marcos of the Philippines in Peking: "I think that China, which, morally speaking, has shown a deep hatred for past and present iniquities, is the natural leader of the Third World." This recognition of Chinese leadership by a head of state known for his anti-Communist opinions aroused a flurry of comment at the time; with a flourish, he had voiced a feeling shared by all the states of the region, though some of them might have expressed it less directly.

In a situation where American guarantees of protection are no longer reliable, in an era in which each of the governments involved is much concerned about the stability of its regime, and at a moment when China is assuring all its Asian neighbours that it has only the best of intentions towards them, there is a temptation to pay symbolic tribute to Peking once again. Recognition of China's leadership and acceptance of an anti-hegemony clause

directed against the Soviet Union and the United States are the main components of this tribute. In view of the benefits expected from China, this may seem a small price to pay.

### Points of concern

In fact, on the two points that are of most concern to nations in the region — the danger of subversion and the loyalty of the Chinese population in each of the countries —, China has given written assurances. These states are well aware, of course, that, for obvious ideological reasons, the Peking Government will continue to support the various liberation movements of Marxist-Leninist inspiration. However, they can still use the formal guarantees to counteract propaganda by liberation movements within their own borders. In addition, the countries belonging to ASEAN (the Association of Southeast Asian Nations) cannot help but be pleased with the support given to their association by Peking and with the unsparing encouragement with respect to the 1971 Kuala Lumpur declaration according to which Southeast Asia was to be a peaceful, free, neutral zone.

From the economic point of view, the expected benefits should be more tangible. Although China still does not have the means to compete with the Japanese commercial presence in this region, it is now recognized that, by 1988, China's production will be equal to present yields in Saudi Arabia. Today we know that the reserves found in the Gulf of Chihli (Po Hai) and the continental shelf of the Yellow Sea are even larger than those of the Arabian Peninsula. None of the nations in the region — except, for the moment, Indonesia — could remain indifferent in the face of this wealth of energy. China is beginning to export to other Asian countries, subject to its own political objectives.

### China's interests

While the national interests of the Eastern countries seem, in their relations with China, to be veiled in subtle tradition, it is quite different with the national interests of the Chinese Government, which are expressed more bluntly in security terms. The decline in the American presence, the bitter rivalry with the Soviet Union and the internal need to ensure smooth political succession are some of the factors that will undoubtedly prompt the Chinese Government to begin immediately to lay the groundwork for the balance of power it hopes to see achieved in the East.

Visitors  
to Peking  
emphasize  
symbolic side  
of relations



China no longer seems to make any set of its views on the future of the region. Its encouragement of the ASEAN countries, its desire to establish bilateral relations with each of them on the basis of the five principles of peaceful co-existence (one of which is non-interference in internal affairs), its acceptance — will or not — of the leanings towards independence and neutrality that can be expected once more in North Vietnam and Cambodia, are a few of the factors that lead us to believe that the Chinese Government would not be averse to an initial period of sincere non-alignment in Asia.

In fact, a form of behaviour modelled on that adopted for quite some time by General Ne Win's Burma might satisfy China's basic expectations. The priority is to constant improvement in relations with China, its pursuit of low-key, if not almost non-existent, relations with the great powers and its opposition to Soviet designs are the bases of Burmese neutrality. Considered in this form, neutrality cannot but appeal to the Chinese Government. The very warm welcome extended to President Ne Win during his official visit to Peking in November 1975 is a good illustration of that fact.

This change, which China can hope to take shape only on a long-term basis, survives at present sustained vigilance with respect to the designs of the Soviet Union and the United States throughout the region. This is what Vice-Premier Teng Tzao-ping meant when he declared: "What calls for special vigilance is that, when one super-power has suffered setbacks and must retreat, the other super-power, burning with ambition, seeks to take advantage of the situation to carry out expansion through a struggle made up of open or hidden conflict. . . . The Asian peoples, who have learned much from their experiences in the anti-imperialist struggle, surely know how to uncover super-power manoeuvring and intrigues, to avoid letting the tiger in through the back door and driving away the wolf from the front' to put a check on the super-power's policy of aggression and expansion."

#### **Asian menace**

In the short run, then, the Soviet Union is mainly the main concern. In the Peking talks, as well as at the United Nations, Chinese leaders do not conceal their concern over the Russian menace in the Far

East. The campaign denouncing the "Asian collective — security system" proposed by the Soviet Government has been stepped up in a spectacular way since the Helsinki agreements. In the view of the Chinese Government, the Soviet Union hopes merely to fill the gap left by a "super-power driven out of Indochina", and the collective-security system is "only a pretext for carrying out a policy of aggression and expansion, setting their hegemony against that of the United States, dividing the Asian countries and drawing the small and medium-sized countries into their sphere of influence".

The idea, among others, that the collective-security system might one day sanction the principle of the inviolability of the present borders in Asia, as was the case with European borders, is altogether intolerable for the Chinese Government. As Chiao Kuan-hua so bluntly emphasized in New York: "China's attitude towards the fallacious Asian collective-security system is quite simple: first, fight it; second, despise it".

#### **U.S. presence acceptable**

We take that to mean that Chinese leaders are not at present opposed to a continued American presence in the Far East. Once again, it is a case of ensuring China's security. While it is imperative for the Chinese Communist Party to mobilize the masses against the Soviet Union, identified from now on as the main enemy, it is just as necessary for the leaders not to lay themselves open to charges of collusion with the United States. The periodic cooling of relations between Peking and Washington can be partly explained in this way. It is also important for the Chinese Government to get its socialist neighbours to admit that the present compromises between ideologies and national interests are only temporary. But it is also important to make these same neighbours see that the particular national interests of each nation should give way to the interests of the region as a whole. It could be supposed, as a result, that the new-found moderation of North Korean President Kim Il Sung testified to the effectiveness of Chinese persuasion. In this shrewd game that China is playing, the basic aim is certainly to force the nations in the region to make a choice between Peking and Moscow.

# The range of direct relations between states and provinces

By Roger F. Swanson

The U.S. State Department recently issued a research contract for a project to compile and analyse a list of the relations between the Canadian provinces and the U.S. states. The proposal originated in the State Department's Office of Canadian Affairs, where there existed a general impression of the number and variety of arrangements between U.S. states and Canadian provinces in such areas as motor-vehicle registration and environmental matters but little knowledge of the nature and extent of such arrangements. Thus, while it conceded the value of direct state/provincial relations within the broader context of Canada-U.S. relations, the Office of Canadian Affairs felt that more detailed information was necessary in order to deal with questions of procedures and guidelines.

The findings of the study were noteworthy, if not surprising, on several counts. Indeed, the number, nature, type and distribution of the dealings between U.S. states and Canadian provinces suggest that this activity is worthy of serious attention. First, there was a greater number of state/provincial arrangements than had been realized — a total of 766. Secondly, the arrangements were more comprehensive, and covered a greater range of activities, than had been expected. They were found to cover, literally, the full scope of governmental activity, including agriculture, energy, military and civil defence, and transportation. Thirdly, the

arrangements turned out to be of a more formal nature than had been suspected. Though a majority involved informal procedures, 30 per cent were formal agreements or semi-formal understandings. Finally, and perhaps most surprising, the arrangements were not confined to U.S. border states. On the contrary, every one of the 50 states was found to have some form of dealings with the Canadian provinces; and these accounted for a full 38 per cent of all state/provincial arrangements.

## Types of activity

The arrangements between states of the U.S.A. and Canadian provinces appear to be primarily grounded in functional, "nuts-and-bolts", considerations. Quite simply, in order for a state official to do something in line with his official responsibilities, he considers it necessary to deal with his Canadian provincial counterpart in an attempt to establish some mutually useful arrangement. The most active area is transportation, accounting for 28 per cent of the arrangements, followed by natural resources with 20 per cent, commerce and industry with 10 per cent, and human services with 10 per cent. The other areas of activity are environmental protection with 9 per cent, educational and cultural affairs with 6 per cent, energy with 5 per cent, public safety with 5 per cent, agriculture with 4 per cent, military and civil defence with 2 per cent, and 3 per cent unclassified. Significantly, the border states account for over half the activity in these areas except two. Maine is the most active state in six of the areas, New York leads in two, and Michigan and Minnesota lead in one each. Generally, the non-border states have arrangements in only a few of the functional areas, but are more active than the border states in the areas of human services and transportation.

What types of state/provincial arrangement have been included? This is an important question, because the degree of formality of these arrangements has constitutional implications for the U.S. federal

*State-provincial relations in need of serious study*

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system. In a general sense, a state/provincial arrangement refers to those currently-active processes in which there is direct communication between state and provincial officials on a continuing basis. (State/provincial "contacts" — i.e. single exchanges in which no regularized procedures are defined or any continuing reciprocal procedural obligations incurred — are excluded.) The arrangements to be examined can take three forms: *agreements*, *understandings* and *informal procedures*. The most common, but constitutionally most significant, form is the agreement, which is a jointly-signed document setting forth regularized procedures for state and provincial officials. Accounting for 6 per cent of all state/provincial arrangements, agreements constitute the most formal type, and can be concluded either by governors and premiers or lower-level state and provincial officials. An example of the former kind of agreement is the December 1973 "Joint Agreement" between the Governor of Massachusetts and the Premier of New Brunswick, designed to maintain and foster close co-operation in relevant areas of common concern. An agreement concluded at a lower official level is the March 1973 reciprocal arrangement concerning the licensing of insurance agents signed by officials of Oklahoma's Insurance Commission and Ontario's Ministry of Consumer and Corporate Affairs.

An understanding — the second form an arrangement can take — refers to correspondence, resolutions, communiques and memoranda that are not jointly signed but that nonetheless set forth regularized procedures between state and provincial officials. These understandings account for 24 per cent of all state/provincial arrangements. An example of an understanding-by-correspondence is the August/December 1966 exchange of correspondence between officials of Louisiana's Department of Public Safety and Ontario's Department of Transport concerning reciprocal exemption from registration of motor vehicles and trailers. An example of an understanding-by-resolution is the August 1973 resolution of the New England governors and Eastern Canadian premiers for the "development of joint energy policies" through the New England/Eastern Canadian Energy Advisory Committee. An example of an understanding-by-communique is the May 1972 "Joint Communique" of Maine's Governor and Quebec's Prime Minister, setting forth the content of Maine-Quebec co-operation in broadcasting and other areas. Finally, an example of an understanding-by-memorandum is the January 1974 Illinois

"Administrative Order" promulgating an understanding between the Illinois Department of Conservation and the Province of Ontario for co-operative fishery management.

An informal procedure — the third form of arrangement between state and provincial officials — refers to any other written or verbal statement of regularized procedures not covered by the previous two categories. These informal procedures are by far the most common type of state/provincial arrangement, and account for 70 per cent of the total. An example is the holding of "periodic, informal meetings" between New York's Department of Environmental Conservation and Ontario's Ministry of the Environment "to discuss mutual air pollution problems". A second example is the holding of periodic co-ordinating meetings in a "manner of mutual interest without anything in writing" as defined by North Dakota's Disaster Emergency Services and by the Provinces of Saskatchewan and Manitoba in matters concerning "disaster emergency preparedness, response and recovery activities".

### Most active states

What states are most active in concluding state/provincial arrangements? Regionally, the most active area is the Northeast, with 36 per cent of the arrangements, followed by the Midwest, with 31 per cent. The least active region is the Southwest, with 4 per cent. The Northeastern states average 31 interactions apiece, and those of the Midwest 20 apiece. Four border states account for over one-third of the state/provincial arrangements. Maine leads with 14 per cent of the total arrangements, followed by Michigan with 7 per cent, and New York and Minnesota with 6 per cent apiece. From the Canadian standpoint, the three most populous provinces are involved in 61 per cent of the bilateral state/provincial arrangements, Ontario accounting for 29 per cent, Quebec for 19 per cent and British Columbia for 13 per cent. The most active state/provincial pairs are those adjacent to one another. Maine and New Brunswick are the most active pair, followed by Michigan/Ontario and Washington/British Columbia. The most active non-border pairs are Illinois/Ontario and Louisiana/Quebec. The fact that the border states account for so much of state/provincial activity suggests that geographical contiguity is an important factor in generating it. Other factors that appear to be relevant include the economic and population bases of the states, the cultural distribution of the population (especially the *francophone*

*Greatest activity  
between adjacent  
provinces  
and states*

element), and the bureaucratic size of state governments and their organizational capacity to deal with these relations.

### Organization and techniques

Aside from the state/provincial arrangements that have been concluded, there are two interesting questions regarding general state/provincial relations: How are state bureaucracies organized to deal with the provinces and how do state and provincial officials actually interact? The most common method of state organization in handling Canadian matters is the pragmatic approach. In a general sense, there appears to be no special concern on the part of the U.S. governors to encourage, discourage or centrally co-ordinate relations with the Canadian provinces. Those state officials who become involved are not specifically assigned the responsibility for dealing with Canadian matters or for liaison with Canadian provincial officials. Nonetheless, they feel it necessary to deal with the provinces in their everyday work and do so, often without the knowledge of the governor or the state commissioners.

For some states, however, this pragmatic organizational arrangement is insufficient. They therefore assign to individuals or organizational units in the state bureaucracies the specific responsibility for handling aspects of provincial relations such as conservation, economic and cultural matters. For example, Vermont's Agency of Development and Community Affairs has an International Industrial Development Representative who is the Agency's "liaison" with Quebec on economic matters. Another technique is the highly-innovative organizational arrangement whereby the state establishes an office within its bureaucracy that is responsible for Canadian "relations" in general, with a monitoring function similar to that of the U.S. State Department's Office of Canadian Affairs. The State of Maine has pioneered this new type of organizational arrangement, with the Governor establishing an Office of Canadian Relations and appointing a full-time Special Assistant for Canadian Relations as a part of his executive office. Finally, there is the technique of creating state-affiliated organizations, also employed by Maine, to develop and strengthen relations with the Canadian provinces. For example, a Quebec/Maritime Advisory Commission exists consisting of 12 leading Maine citizens outside the state government.

It might be useful at this point to explore the manner in which state officials actually deal with their Canadian counterparts. In addition to the use of correspon-

dence and telephone, eight trans-border techniques are used. First, and most common, are bureaucratic *ad hoc* meetings. These consist of any number of state and provincial officials at all levels, and serve several purposes: the exchange of information, the discussion of common problems and the development of joint projects and programs. The second trans-border technique used by states is that of direct representation in the Canadian provinces. This occurs either through the establishment of a "state office" in the province or by the appointment of Canadian public relations firms to serve as the state representative in the provinces. At least eight states have employed this technique. These state offices — which are most often located in Montreal, followed by Toronto — are primarily designed to promote trade and tourism and to encourage economic development.

### "Summit diplomacy"

The third technique used by states in dealing with the provinces is especially interesting; it involves the use of a form of "summit diplomacy" by state governors and provincial premiers. Within the past three years, about a dozen governors have been involved in summit exchanges with their provincial counterparts at least 11 times. Examples of such meetings include the governors and premiers of Washington and British Columbia, Louisiana and Quebec, Michigan and Ontario, New York and Ontario, Massachusetts and New Brunswick, and Maine and Quebec and the Atlantic Provinces. An interesting variant of this state/provincial "summitry" is the multilateral and institutional form it seems to be taking. For example, the six-member New England Governors Conference held a historic meeting with the five Eastern Canadian premiers in Brudenell, Prince Edward Island, in August 1973. This was followed by a 1974 meeting in Vermont, and a 1975 meeting in New Brunswick.

The fourth trans-border technique used by state officials involves legislative exchanges whereby state and provincial legislators meet for purposes of familiarization and the exchange of information, not unlike the federal-level U.S.-Canada Interparliamentary Group meetings. For example, both Maine and Washington States have used this technique with their respective provincial counterparts. The fifth technique is the establishment of state/provincial joint organizations, usually in the form of joint committees, which attempt to deal with specific functional areas. Two examples are the New England

*Innovative  
arrangement  
of new offices  
responsible for  
Canadian  
relations*



Eastern Canadian Provinces Transportation Advisory Committee and the New England/Eastern Provinces Energy Advisory Committee, which were established in August 1973 by the respective governors and premiers. The sixth technique used by states in dealing with provinces involves Canadian provincial participation in U.S. interstate compacts. For example, the Uniform Vehicle Registration Proration and Reciprocity Interstate Compact has a total of 19 states as members, in addition to British Columbia and Alberta. Another example is the 1949 Interstate Forest Fire Protection Compact, which includes the six New England states, New York and the Provinces of Quebec and New Brunswick.

The seventh technique used by state and provincial officials involves professional associations in which both state and provincial officials are members (e.g. the International Association of Law Enforcement Officers and the American Association of Motor Vehicle Administrators). Conventions and meetings of such associations serve as channels for getting together, enabling state/provincial officials to establish personal contacts, to discuss common problems and to exchange information and resolve issues. In addition, the associations themselves can serve as the basis for, or indeed obviate the need for, separate state/provincial activity through such associational activities as technical discussions, the sponsorship of co-operative projects, the passing of resolutions, and the establishment of guidelines. Some U.S. states have reported as many as two dozen associations they felt were relevant in their dealings with provincial officials. Indeed, a total of 40 states reported state/provincial activity involving associations, and it can be roughly estimated that 21 per cent of the total state/provincial activity includes the involvement of associations.

### Federal channels

The final trans-border technique used by state and provincial officials involves federal governmental channels. This refers both to the direct membership of states and provinces in federal Canadian-U.S. joint organizations (e.g. the Great Lakes Fisheries Commission and the International Joint Commission's numerous reference groups), and to state/provincial officials dealing with each other in the context of meetings with U.S.-Canadian federal authorities (e.g. the network of federal U.S.-Canadian civil defence agreements). It can be roughly estimated that 15 per cent of the total state/provincial

activity includes the involvement of the federal government.

State/provincial relations undeniably have policy implications for the U.S. Federal Government. First, and most obvious, is the constitutional implication of this state/provincial activity in the context of the U.S. federal system. There is, in a general sense, no doubt in the U.S. Constitution as to where the treaty-making power lies. Article II Section 2 states: "He (the President) shall have power, by and with the advice and consent of the Senate, to make treaties, provided two-thirds of the Senators present concur...". Moreover, states are expressly forbidden in the Constitution to conduct "foreign" relations without the consent of Congress according to Article I Section 10: "No state shall enter into any treaty, alliance or confederation... No state shall without the consent of Congress... enter into any agreement or compact with another state or with a foreign power..." However, states do participate in forms of external relations, with varying degrees of legal formality, and Congress has deemed that not all these relations require Congressional consent. The Congress is willing to absorb the functional needs of states in these external relations, but is concerned with the "political" power of states and the extent to which this power might erode the centrality of the U.S. Federal Government. For example, in a statement on the Constitution prepared for Congress in its seventy-fourth session and repeated for its eighty-eighth session, it is stated: "The terms 'compact' and 'agreement'... do not apply to every compact or agreement... but the prohibition is directed to the formation of any combination tending to the increase of political power in the States which may encroach upon or interfere with the just supremacy of the United States." Nor is there any uncertainty as to the nature of this prohibition: "The terms cover all stipulations affecting the conduct or claims of the states, whether verbal or written, formal or informal, positive or implied with each other or with foreign powers."

*Varying  
degrees  
of legal  
formality*

### No constitutional issue

Significantly, there were no major cases uncovered in the research for the State Department sponsored study that would raise fundamental constitutional questions about the U.S. federal system and the role of the states in external affairs. This is probably attributable to the fact that state/provincial activity is primarily concerned with functional necessities. However, it should be noted that

the compelling nature of these functional necessities, coupled with the sheer volume of state/provincial activity, could generate constitutional questions in two areas. There is, of course, a very fine line between the expeditious handling of a provincial issue by a state, and the incremental legal precedents that can be created by this activity. In addition, state/provincial relations could raise legal questions in those isolated cases where a state might go beyond its functional needs in an attempt to acquire an "international" status by dealing with the provinces. Nonetheless, consideration of these potential constitutional questions should not distort the fundamental fact that the vast majority of state officials desire to fulfill their state needs in the most expeditious manner while fully and categorically meeting U.S. constitutional requirements. This was a recurrent theme expressed by state officials at all levels during the research for the State Department sponsored study. Indeed, this raises the second general policy implication of state/provincial activity.

### Service role

State/provincial relations warrant the attention of the U.S. State Department as much in a servicing role, whereby the legitimate "foreign" needs of the states are met by federal authorities, as it does in a monitoring role whereby the State Department "diplomatically" oversees the "foreign" activities of the states. In fact, neglect of the former will exacerbate the latter. This servicing role suggests that the State Department, and other parts of the Federal Government, must respond to and facilitate the constitutionally-legitimate and functionally-necessary provincial interactions of the states. State officials are basically interested in procedural simplification in dealing with the "feds". A sense of frustration was expressed by state officials concerning their inability to obtain easily from the most appropriate federal agency definitive information that would enable the states to satisfy federal requirements. Sensitivity on the part of the Federal Government to the provincially-related problems of the states, and flexible responsiveness in assisting them in these problems, are therefore essential ingredients in any discussion of state/provincial relations.

The third policy implication of this state/provincial activity is bilateral in nature, involving the U.S. and Canadian Federal Governments. That is, state/provincial activity can create issues that not only require the attention and participation of the two governments but that can

also become an abrasive bilateral issue. Here it should be noted that, in the vast majority of cases, federal participation has taken the simple form of an informational or advisory role, generally to the satisfaction of all parties concerned. Nonetheless, however responsive the Federal Governments have been, or may seek to be, this issue may be less amenable to easy solution because their involvement occurs at later stages. For example, in the field of transportation one non-border state noted that, unless some agreement with a province was forthcoming in the very near future, the state would have no alternative to closing its borders to vehicles from that province that maintained non-reciprocal licensing provisions. It can be assumed that the U.S. and Canadian Federal Governments would have to become actively involved, since such a move would be very detrimental to the Canadian trucking industry.

In conclusion, it might be emphasized that, because state/provincial relations involve fundamental U.S. and Canadian constitutional definitions about the role of states and provinces in "foreign" affairs, every precaution should be taken by U.S. and Canadian officials to operate in a manner consistent with those definitions. This is as important for the two Federal Governments as it is for the states and provinces. For example, any attempt on the part of the U.S. Government to operate outside mutually-acceptable channels in dealing directly with the provinces, or the Canadian Federal Government to deal directly with the U.S. states, is both undesirable and ultimately counter-productive. In the pursuit of their functional needs, state and provincial officials have their own obligations, and should be cautious not to complicate each other's constitutional frameworks. Any debate about the respective role of states and provinces in "foreign" affairs should be national rather than a bilateral debate, and state/provincial relations should not be a tool whereby states, or provinces, score debating points against their federal governments. This call for adherence to constitutional requirements is not to suggest an undue formality or rigidity in an era of such increasingly complex state/provincial problems as environmental matters. However, unless U.S. and Canadian federal and state/provincial officials pay attention to the constitutional implications of their activities while dealing with these problems, a seriously destabilizing period of bilateral relations could result.

A final observation is in order. 5

*Sensitivity  
and flexibility  
essential*



fact that state/provincial relations can generate conflict should not obscure the fact that, in the proper context, these relations can be a mutually-productive method of meeting state and provincial needs and, as such, can constitute a most useful aspect of the total Canadian-U.S.

relation. Because state/provincial relations are likely to increase rather than decrease in the future, it is as important to the states and provinces as it is to Washington and Ottawa that a balanced perspective be maintained in conducting and assessing these relations.

*Canada and the United States*

# Federal-provincial dimensions of state-provincial relations

By Thomas Levy and Don Munton

It is surely one of the ironies of politics that spectacular but short-lived situations tend to obscure more significant, long-term developments. Examples bearing this out abound in the histories of most countries, and are certainly not lacking in recent Canadian external relations. Perhaps most notably one might recall the Quebec challenge and the constitutional debate over provincial treaty-making powers that dominated the headlines and preoccupied the policy community during the mid-1960s. And yet, while both the challenge and the debate have receded as the result of an implicit political consensus concerning federal-provincial "do's" and "don'ts", the involvement of virtually all ten provinces in international affairs has steadily, but less spectacularly, increased. That consensus may or may not unravel at some future point, but the underlying trend of greater provincial involvement shows no sign of abating or reversing.

It has become a simple fact that there are few aspects of Canadian external relations today that do not touch on provincial interests or manifest provincial activities, and this is particularly the case in Canada's most important international relations — those with the United States. Federal-provincial dimensions of Canadian-American relations are becoming more crucial not only to the continuance (or perhaps the emergence) of Canada as a distinct international actor but also to the survival of Canada as a federal state. The provinces have not always been so active, nor have their interests always been so engaged. Why, then, have these changes occurred? In this brief article, we shall attempt to survey some of the major factors we think account for these changes and to discuss some key aspects of the expanded involvement of the provinces.

The various factors that underlie the greater degree of provincial activity in external relations can, for the sake of simplicity, be divided into two groups. At the more basic level, there are what might be called the "background" factors. These include the greater prominence of economic and social issues on the national and international agenda, the increasing prosperity and complexity of Canadian society — brought about in large part by technological change, persisting regional social and economic differences, and increasing disparities in economic growth. These background factors can in part be linked to a number of intermediary or "political" factors. Included here would be the greater number and complexity of problems facing provincial governments, the expansion of provincial responsibilities and spending power, the growth in provincial bureaucracies and the relatively weakened position of successive minority Federal Gov-

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ernments during the mid-1960s. The "mix" or interaction of these two sets of factors has, in turn, led to a greater involvement of the provinces in external relations. While some of these factors are part of the now well-recognized shift in the imbalance of power in domestic federal-provincial relations — the phenomenon Donald Smiley has called "the attenuation of federal dominance" —, some are also peculiar to the question of external activities.

### New priorities

During the 1960s, with the expectations fostered by *détente*, the increasing industrialization of the developed world and the emergence of new Third World countries, traditional military-security problems began to give way to economic and social concerns. These changing foreign policy priorities thus touched increasingly upon important and highly visible domestic interests. And, in view of Canada's regional differences, the changes in priorities encouraged, if not demanded, the articulation of correspondingly diverse interests. Since the Canadian constitution gave provincial governments substantial responsibility for economic and social policy, and since provincial politicians saw their own interests as requiring provincial activity, the effect on them of the new foreign policy agenda was profound. Their natural response contributed to what might be called the "domesticization" of foreign policy issues. In a recent paper, one former senior Ontario official noted that such issues as commercial policy, energy, agriculture, industrial development, immigration and the like were "[all] matters of provincial concern". "It is not very difficult," he argued, "to see why the provinces have more than a yearning, indeed a responsibility, to make an effective contribution."

Other international factors also played a role. The French Government openly and consistently supported and encouraged the desire of the Lesage and Johnson regimes, and especially that of nationalist elements within the Quebec bureaucracy, to seek greater autonomy within Canada and to deal directly and freely with France in all areas of provincial jurisdiction. In the light of the Quebec experience, other provinces, particularly Ontario, began to reconsider their own constitutional and political powers in external relations.

Growing American affluence, and especially the prosecution of the Vietnam war, generated a considerably increased demand for strategic raw materials from Canada. During the 1960s, exports of iron ore, aluminum, copper and other metals all

grew dramatically. This demand enhanced provincial economies and contributed to a reassessment by provincial governments which are, of course, constitutionally responsible for the development of natural resources within their boundaries. Similarly, the phenomenal economic recovery of Japan prompted that country to become a major purchaser of Canadian oil and lumber products to fuel its booming industries. This development had a particular impact on the resource and transportation sectors of British Columbia and Alberta.

Throughout the postwar period, Canada, like other Western nations, became an industrially and technologically advanced society. Canadians, on the whole, became wealthier and better educated. Canadian society became highly urbanized, better serviced and more interdependent. The Canadian labour force became more diversified and specialized. Canadian industry expanded and generally kept pace with technological innovations. Its products became more sophisticated and more expensive, its pollutants more extensive and more dangerous. All these interrelated changes had a readily apparent result: each played a part in increasing demands on, and ultimately the responsibilities assumed by, provincial governments.

### Persistent disparities

While the national society and economy were becoming more complex in an absolute sense, regional social and economic disparities were persisting. In 1971, in 1951, in the provinces with the most educated populations, 20 to 25 per cent more citizens had secondary or postsecondary education than in the provinces with the most-poorly educated populations. In the 1960s, as in the 1940s, the *per capita* income of the Atlantic Provinces was about 30 percent below the Canadian average, while that for Ontario and B.C. was about 15-20 percent above average. In the 1950s, Ontario accounted for approximately 50 per cent of the total value added by manufacturing in Canada; New Brunswick, the "most industrialized" of the Atlantic Provinces, counted for a mere 2 per cent. In Ontario's share was 53 per cent; New Brunswick's was 1.4 per cent.

Not all disparities were merely persisting — some were significantly increasing. For example, the gap between the value added *per capita* by manufacturing in Ontario (\$877) and in New Brunswick (\$268) was \$609 *per capita* in 1960. In 1970, a marked increase in Ontario



1944) as against a moderate increase in New Brunswick (to \$432) had widened the gap to \$962 *per capita*.

The Canadian economy is integrated East-West lines only to a limited degree. It remains, to a large extent, a collection of regional economies, some of which are linked by closer links to a southern metro- politan area than to other parts of the country. This condition is easily demonstrated by figures on the major provincial exports. Ontario dominates in Canadian manufacturing and, for example, exports approximately half the motor vehicles and trucks produced in that province. Quebec, British Columbia, and Ontario dominate in the forest industries; about nine-tenths of all newsprint, two-thirds of all softwood lumber, and one-third of all wood pulp produced is exported. Quebec and B.C. also dominate in the mineral sector; about four-fifths of aluminum produced and an equal proportion of all iron ore extracted are exported. The Prairie Provinces naturally dominate in agriculture; about three-fifths of all Canadian wheat is currently exported. One final example — Alberta and, to a much lesser extent, Saskatchewan and British Columbia dominate the crude petroleum sector, where, at least during the late 1960s, about two-fifths of current production was being exported. Hence, provincial governments have an enormous stake in Canada's export trade generally and in Canadian-American economic relations in particular. This regionally-differentiated economic structure with regionally-specific external links is a fundamental cause of many federal-provincial disputes in Canada. The recent battle over oil and gas exports is but one example. Moreover, as provincial governments increasingly see resource exports as a primary basis for provincial development, the stakes can only become greater.

The natural preference for export markets in the United States is reinforced by American-controlled multinational corporations, which account for over half of Canadian exports and offer "assured" markets together with the capital "input". Canada, moreover, has the fastest-growing labour force among major industrial countries, and there are wide regional variations in the incidence of employment. These factors, together with the obvious economic and political benefits of newly-established manufacturing facilities, have encouraged provincial governments to step up their competition against each other for such industries, which means prospecting for foreign, especially U.S., capital.

The changing issue agenda of Canadian politics, coupled with an increasing social

complexity and increasing public demands, had led not only to a greater number of policy problems being presented to governments but also to problems that are increasingly complex. As a result, provincial responsibilities have expanded and provincial bureaucracies have followed suit. The decrease in defence expenditures from 30 per cent of the federal budget in the late 1950s to less than 20 per cent in the late 1960s signified the decline of national security as a priority "collective good". Over roughly the same period, provincial tax levies increased many-fold, and the relative size of federal and provincial-municipal spending shifted dramatically. Federal expenditures represented 15.6 per cent of the gross national product in 1947 and 16.6 per cent in 1966 — a relative increase of only 6 per cent during the period. Provincial-municipal expenditures, on the other hand, rose from 10.3 per cent in 1947 to 21.3 per cent in 1966 — a staggering relative increase of 107 per cent over the period. This trend, moreover, shows every sign of continuing.

During the early 1970s, provincial total gross general expenditures alone, for the first time in Canadian history, caught up to and exceeded total federal expenditures. There has been a corresponding shift in the relative magnitude of federal and provincial employment. While the totals were 187,000 and 155,000 respectively in 1960, they had become 259,000 and 379,000 by 1970. These shifts represent an increase of 38.5 per cent in federal employment over the ten-year period, but an increase of 144.5 per cent in provincial employment.

### Growing disagreement

One serious consequence of greater provincial affluence and increasing provincial diversity has been growing disagreement on national objectives and policies. This disagreement, coupled with the weakness of minority Federal Governments during the 1960s, has, according to some observers, led to an actual decline in the effectiveness of the federal role. In turn, this decline in federal effectiveness, or at least the perception by the provinces of such a decline, coupled with the increasing number of policy problems involving provincial jurisdiction, the willingness to expand provincial responsibility for these problems, and the enlarged provincial bureaucracies, has thus led to a greater degree of provincial involvement, not only in domestic but also in so-called "foreign policy" issues.

This increased provincial activity has, in addition, led to efforts to co-

*Provincial expenditures surpass federal for first time*

ordinate and centralize provincial decision-making. Evidence of such a trend can be seen in the appearance of departments of intergovernmental affairs — in Quebec (1967), Ontario (April 1972) and Alberta (June 1972). Smaller intergovernmental-affairs units now exist in all the other provinces. Regardless of size, these agencies are all closely related to the premiers' offices by virtue of either origins or present status, and they all perform a common function — the monitoring and co-ordination of their respective governments' interactions with other governments in North America and overseas. They have also tended to have at least one common effect — to augment further the extent of provincial activity.

Many observers have noted the substantial increase in federal-provincial discussions, meetings and debates during the 1950s and 1960s. Although data are not yet readily available on meetings exclusively or largely concerned with "foreign" policy or with Canadian-American issues, it is reasonable to assume that the pattern here has been a similar one. However, data are becoming available that clearly show increasing activity by the provinces *vis-à-vis* the American states. An early study by Leach, Walker and Levy showed that, of 47 provincial "contacts" that could be pinpointed by date, no fewer than 29, or 62 per cent, were products of the 1960-71 period. Our analysis of data collected in a more recent study by Roger Swanson, sponsored by the U.S. State Department, which focused in a similar way on the 50 states, confirms the earlier finding. While contacts by states with provinces increased little, if at all, between 1920 and 1945, they have increased dramatically over the period of the late 1950s and the 1960s.

### Lower-level impulse

State and provincial governments clearly see an increasing need to interact and co-operate with each other. Generally, the impulse to collaboration has come from the lower levels of provincial and state bureaucracies. The individuals involved on both sides have been disinclined to view their interactions as "foreign relations" and have seldom undertaken their mutual activities with a view to scoring constitutional points — as distinct from political points — within their respective federal systems. In short, province-state interactions have traditionally been carried on in a business-like, friendly and informal manner, and stem in good measure from what is perceived to be administrative necessity. For example, if the 60 sub-national jurisdictions in the North American

continent made no attempt to harmonize their highway and motor-transport laws, there would be serious impediments to interstate, interprovincial and cross-border commerce.

At the same time, of course, informal actions that have the effect of removing such impediments can, in cumulative impact, be of major consequence. While the vast majority of province-state interactions are *informal*, our analysis of the Swanson data indicates that there has been a considerable increase during 1970-74 in *formal* province-state agreements in commerce and industry, energy, environmental protection, transportation and general relations. Semi-formal relations have also increased in commerce and industry, education and culture, energy, human services, natural resources and transportation. It can be argued that such international contact, even without formal institutional policies, even if such a result was not consciously pursued. There is also the oft-claimed tendency for informal channels to lead, under certain conditions, to the creation of more formal channels.

Another aspect of provincial activity is the recent participation of heads of provincial and state governments and other elected officials in province-state relations. In August 1973, the premiers and governors of the five Eastern provinces and the six New England states met together in Brudenell, Prince Edward Island, for the first time to discuss closer energy and transportation co-operation as they affect cross-border commerce. They met again for follow-up talks in Warren, Vermont, in June 1974 and held a third joint meeting in St. Andrews, New Brunswick, in June 1975. Concurrent with the premier-governors meetings, elected members of 11 legislative assemblies met in Orono, Maine, in August 1974 to discuss similar topics. In September 1974, Premier David Barrett of B.C. and Governor Dan Evans of Washington presided over a joint meeting of their respective legislatures in Bellingham, Washington. Moreover, not only the contacts are merely province-state, but in early 1974, the State Department invited officials from the ten premiers' offices to a conference in Washington. Despite Ottawa's protest through diplomatic channels, the State Department subsequently sponsored a second such meeting.

Politicization is present in another form as well — that of permanent representation and political visiting. The total number of provincial offices abroad in 1960 was 31 in 1970, and reached a peak of 36

*Federal-provincial  
discussions  
have increased  
since 1950*



3. Ontario and Quebec, in particular, maintain a substantial permanent presence in the United States. Between them, the ten provincial governments accounted during the early 1970s 18 trade and investment offices in New York, Boston, Atlanta, Chicago, Cleveland, Minneapolis-St. Paul, Los Angeles, San Francisco, Dallas and New Orleans. Though two provincial offices have recently been closed, there does not seem to be any mounting trend towards restriction. There have also been threats by Ontario and Alberta, following the U.S. economic crises of August 1971, to establish their own mini-embassies in Washington, D.C.

#### Every four days

In 1972, provincial cabinet ministers were averaging on official visits abroad at an average rate of almost one visit every four calendar days. Moreover, the frequency of foreign visitors of ministerial rank to Canadian provinces also increased; in 1973-74, these were occurring at the average rate of one a week. While not all of these visits involved the U.S., a good number did. Moreover, the political visiting has not been restricted to mere routine matters. At least three premiers have also journeyed to Washington to lobby directly for key provincial interests: Ross Thatcher (Saskatchewan) in 1969 to fight tariffs on wheat, Gerald Regan (Nova Scotia) in 1973 to protest countervailing duties on Michelin tires, and Dave Barrett (British Columbia) in 1973 to promote a railway transporting Arctic gas to U.S. markets.

While these types of provincial activity are not themselves necessarily represent a major challenge, their political implications are quite clear. In short, the prov-

inces will almost certainly continue to demand an increasingly greater role in national policy-making *vis-à-vis* the United States. Most, if not all, provincial officials would agree with the former Ontario official, quoted earlier, who also argued: "If a federation such as Canada's is to have national policies, they must be developed by means of a federal-provincial partnership. To an increasing extent, I believe this same partnership should apply in the formation of critical international policies that will affect all levels of government across the country." "Nowhere," he added, "is the importance of the federal-provincial consultative process in the development of foreign policy more clearly illustrated than in our relations with the United States."

If this federal-provincial "consultation" should work to the satisfaction of all concerned, then potentially-serious consequences are not inevitable. The likelihood of such an easy solution, however, is, in our judgment, extremely small. The forces that have given rise to greater provincial activity, and certainly those we have discussed here, are not short-term ones. Nor are the divergent interests they have in part reinforced and in part created likely to be managed by mere consultation. To the extent that these forces prevail, therefore, we do not think it an exaggeration to say that they point to fundamental challenges to the present patterns of Canada's federal system and of the country's most important international relationship. That these evolving challenges have been so little appreciated, not only by federal but also by provincial officials, makes a successful adaptation to the new conditions even less certain.

*Fundamental challenges to patterns of Canadian federal system*

Our two societies are among the most successful the world has known. They have produced not only prosperity but a personal liberty and a possibility of social change that is unmatched anywhere. In different ways each is based on the diffusion or even an opposition of powers, and the organized tension among them. But neither country could survive without a widely-shared sense of the common good.

The only thing that could really threaten our future would be the loss of that sense of the common good, so that our domestic politics would be organized into a purely adversary process. That is why we fear sustained inflation so much, for prolonged price-increases make it every man for him-

self. That is why we have been so shaken by the energy crisis, for it brought out the instinct of hoarding in us. That is why sustained unemployment can be so dangerous, for it sets the working against the jobless.

The same reflections apply to the way in which Canada and the United States relate to each other. It is necessary and right that there should always be a careful calculus of interest and constant bargaining between us, but there must also be a sense of the common good, of what advantages us both, of what will make us both grow.

*U.S. Ambassador Thomas Enders addressing the Men's Canadian Club of Ottawa, March 23, 1976*

# European Community continues its momentum towards union

By James Langley

European union has been a persistent theme of European history for more than 1,000 years and has, more or less imperfectly, been achieved from time to time under the aegis of a dominant personality or military power. This conception of union by domination was quite recently current, as evidenced by the mementoes of the Third Reich, and it is, indeed, only since the end of the Second World War that an alternative conception, a European union based on consent, has become a practical reality. Both the occasion and reasons for this dramatic and historic change are readily identifiable. The course that the movement towards European union has followed since then is more tortuous, and the task of forecasting the future is still more perilous.

It was in September 1946, a little over a year after the end of the Second World War, that Winston Churchill, speaking in Zurich, suggested the creation of a United States of Europe. The idea, coming in the aftermath of the greatest holocaust of all time, appeared visionary and impractical, if not actually distasteful to many of those who had been caught up, for the third time in less than a century, in fratricidal conflict. Yet Churchill's credentials were impressive, for he alone had carried the burden of the war in Europe's "darkest hour" and he had been a principal architect of the final victory. He was, moreover, an acknowledged humanist, a man of vision, a student of history, who lived by the maxim that those who do not learn from history are condemned to repeat it.

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His proposal commanded respect if not immediate assent.

The lessons of European history were clear enough. This centre of civilization, technical innovation and economic progress had, in less than a century, been the scene of the three greatest conflicts that man had known. The results had been unprecedented slaughter, the overthrow of social order and empire, and the probable extinction of a unique culture. The analogy with Greece in the centuries preceding the era was undeniable: would the nation-states of Europe, like the Greek city-states, destroy themselves by internecine feud and fall prey to powers accumulated beyond their borders, or would they (to use Toynbee's terminology) respond to the challenge by new forms of political and economic organization? In Europe, the rancours of the past were exacerbated by the economic devastation caused by war, and the challenge to which Churchill characteristically but astonishingly responded was nothing less than the assurance of material and spiritual survival.

## European resilience

Fortunately, Europe was resilient. The world environment favoured the effort of imagination and self-help for which Churchill called. Its civilization implied a basic unity of interest, achievement and philosophy that asserted itself in response to his wording of the challenge. Bankrupt, weakened and politically menaced, it responded, through its political leaders, by taking the first steps towards the creation of a new political and economic order that would remove the danger of a repetition of the previous conflicts and would enable Europe to play a role commensurate with its past in the world economy and in the rearrangement of international relations that was inevitable after the war.

The latter years of the war had been extraordinarily fertile in ideas for the organization of the postwar world. The United Nations and the multilateral institutions that were to shape the financial and

*Winston Churchill suggested a United States of Europe*



commercial conduct of the world community were conceived at that time. No less imagination was displayed regionally in Europe and, in the following years, Benelux, the Western European Union, the OEEC and the Council of Europe were all created. As time passed, however, it seemed that a dynamic ingredient was missing from these institutions: they were too restricted either geographically or in their power to respond adequately to the needs perceived by Winston Churchill. A strong current of public opinion developed in favour of more far-reaching solutions, based on the irrevocable cession of national sovereign authority to a body representing Europe as a whole and encompassing the traditional continental foes. Thus the foundation was laid for what has since become the great experiment in European construction.

### Modest origins

The origins of this experiment were modest, but the philosophy that inspired it was novel and comprehensive. Its originators, the theorist and practician Jean Monnet and statesmen such as Robert Schuman, Paul Henri Spaak and Conrad Adenauer, shared a common goal and the conception of a method to achieve it. In 1950, Schuman had said that Europe could not be created instantaneously but must be built laboriously. In practical terms, this meant that Europe must proceed from small successes of economic organization to larger achievements. If, it was reasoned, Europe's basic industries were integrated, forces would be set in motion that would lead irrevocably towards a common market. In time, equally inevitably, this would entail the creation of an economic and monetary union – for who could conceive of complete European free trade without a common currency and fiscal policy? Ultimately, the logic of the final step, some form of political union, must prevail and Europe would have been created.

True to this notion, the Schuman Plan for the European Coal and Steel Community was adopted by the six founding members of the new Europe (France, Germany, Italy and the Benelux countries) in 1951. With equal fidelity, this first step was followed, after an abortive detour towards a European Defence Community, by two treaties signed in Rome on March 25, 1957, establishing a European Atomic Energy Community and a European Economic Community. Together with the Coal and Steel Community, these institutions form the cornerstones of the endeavour,

which is continuing today, to create a political union in Europe.

Of necessity, the Rome treaties are remarkable for the precision and detail with which the obligations and time-table for the creation of a European Common Market are set forth. This was a necessary precaution, since economic integration on the scale contemplated must hurt many vested interests, and it was important to spell out the balance of benefits and obligations among the six member countries as they moved to implement the treaties. The result was that the process of implementation advanced relatively smoothly (the time-table was, indeed, accelerated on several occasions) and the European Customs Union was fully established by July 1, 1968, 18 months ahead of schedule. The method had, however, certain disadvantages; the treaties were fairly narrowly limited to the commercial objectives it was their ostensible purpose to promote and the further stages in the broad historical process of creating a European union were left undefined for future decision. This was not solely a matter of political caution and the notorious distaste of some European leaders for further excursions into supra-nationality. The unpredictability of history imposed an open-ended solution on the architects of the European structure – who were, in any case, confident that the momentum achieved as Europeans learned to work together would almost automatically be translated into further progress. The inner drama of the Community during the past few years has revolved round the question whether the method would produce the desired results or not.

### Test of will

A test of political will in the member countries was not long delayed once the major goals of the Common Market had been achieved, and the results appeared wholly auspicious at the time. In December 1969, the heads of the six governments met at The Hague to take stock of their situation and to relaunch the negotiations for British accession to the Common Market, Britain having opted out of the first phase of the construction of Europe. This “summit” meeting, as it was called, took a decision that was intended as the key to the further development of the European Community. It called for the establishment of a plan for the achievement of an Economic and Monetary Union (EMU), expressly envisaged as an essential step on the road to a “United Europe”, which was, by inference, endorsed as the ultimate objective.

*Unpredictability  
of history  
imposed  
open-endedness*

Three years later, in October 1972, the six heads of government met again, this time in Paris and with their three colleagues from the acceding countries (Britain, Ireland and Denmark), the enlargement negotiations having succeeded in the interim. This "summit", which appears in retrospect to represent the high-water mark of faith in an almost automatic process of European construction, reiterated the Community's determination "irreversibly" to achieve an economic and monetary union and affirmed the intention of the nine governments "to transform before the end of the present decade the whole complex of their relations into a European union". EMU had thus become the touchstone of progress in the construction of Europe.

The basis for the Economic and Monetary Union was laid in two Community decisions taken early in 1971 and a year later. The main symbol of European unity was to be the progressive narrowing of the margins within which the currencies of the member countries might fluctuate against each other (with a view to the eventual creation of a European currency), and this was strengthened by an elaborate action program designed to ensure gradual integration of monetary and conjunctive policy. Measures relating to fiscal policy and capital movements were proposed, and institutional innovations were envisaged.

### Economic downturn

Unfortunately, these good intentions were overtaken by a dramatic change in the world's economic weather, the first intimations of which occurred within months of the first Community decision. In May 1971, the *Deutschmark*, rising through the permissible margin of fluctuation, was allowed to float by the German Government. This setback was followed a few months later by the United States balance-of-payments restrictions of August 15, which heralded a new era of difficulty and instability in the world economy. This change was an unforeseen and ironic calamity at a time when the easier stages of European integration had been completed and the adventure into the unknown was about to begin. It was to test not only the vaunted "irreversibility" of the Customs Union but the validity of faith in a political destiny for Europe.

Throughout 1973, the indices of economic activity and of inflation deteriorated together, and towards the end of the year the energy crisis, precipitated by the price and production policies of the OPEC countries, shook an already harassed

world. By then it was evident that the comprehensive program for European construction adopted at the Paris "summit" was unrealistic, and that even the interim goals could not be achieved on schedule. While the next "summit", held in Copenhagen in December 1973, reasserted the need for rapid progress towards EMU and called for an acceleration of work towards European union, there seemed to be something *pro forma* about the declaration. Almost all attention was focused on the urgent and divisive problem of assuring adequate energy supplies for Europe. A series of setbacks followed during the next months, dramatized by France's withdrawal from the EMU currency arrangements and Italian balance-of-payment restrictions which were widely regarded as contrary to the obligations of the Rome treaty. These developments "put paid", for the time being, to the scheme for EMU and gave rise to serious fears for the integrity of the Common Market.

We now know that the EEC survived these threats to its existence and that the European union (though it has never been very clearly defined) remains the accepted goal of Europeans. What has changed under the impact of economic difficulties and of political developments that have revealed the vulnerability of the Community to world trends over which it has little influence, has been the tacit acceptance of the scheme for Europe established more than a decade and a half ago. There has also been a fortuitous change of players with the disappearance from the political scene of President Pompidou and Willy Brandt, accompanied by a realignment of forces within the Community brought about by enlargement.

### Debate renewed

Both the ends and means of European construction have been the subject of sharp debate throughout the postwar period and it is, perhaps, a healthy sign that this was actively renewed once it was clear that the Common Market would survive the difficulties of 1973-74. The debate about ends centred on the old argument concerning supra-nationality, while that about means took place between the traditionalists, the advocates of economic gradualism, and those who thought that recent events had discredited this approach and advocated a "leap in the dark" — a dramatic exercise of political will to establish a European political entity, the practical details of which could be worked out at leisure. If the governments of The Nine were listening, they did not allow the debate to influence their conduct unduly. S

*Good intentions  
overtaken  
by changes in  
economic weather*



as one can judge while so close to the event, dialectic is not currently influential; spirit of pragmatism prevails, and the course they are charting is an interesting mixture of expedients and longer-range innovations.

In the first place, a new institution has been added to the Community in the form of the European Council (the *ad hoc* "summit" institutionalized, with regular meetings two or three times a year). What its change portends is uncertain, but it will at least bring the highest authorities within national governments into more continuous and responsible contact with the problems of the Community, and may improve its painfully laborious decision-making process. Of more fundamental significance possibly was the decision made just a year ago that the European Parliament should be elected by direct universal suffrage, perhaps as early as 1978 (though Britain and Denmark have their hesitations). This reform has been advocated on many grounds, but its main interest in the present context is that a directly representative Parliament is likely to become quickly a focus for European sentiment and a centre of power supporting the forces working for European union.

This would be important because of the peculiar institutional arrangements of the Community. Paradoxically, the basic issues of European union, which inevitably involve expanding the competence of the community at the expense of its member states, are now decided by the Council of Ministers, which directly represents the member governments. The slow pace at which the construction of Europe has been proceeding may reflect a wise appreciation of political realities, but it is more probably a consequence of the Council's difficulty in moving beyond the status quo. It is in this context that the proposal for the direct election of the European Parliament has been welcomed; it has been widely argued that such a Parliament would more effectively weight the decision-making process in favour of the Commission — the central executive of the Community, which is independent of the member governments and thus the repository of the European will and conscience.

One other development, this time on the international scene, appears equally significant for the European cause. Since its earliest days, the Community has exercised the exclusive powers conferred on it by the Rome treaties for the conduct of a common commercial policy and the conclusion of international commercial agreements, multilateral and bilateral, and its international presence has often seemed

the most real and tangible of its achievements. This presence has been much reinforced since enlargement by the skilful exploitation of the external commercial power and by its subtle extension. With the somewhat grudging agreement of the member countries, economic co-operation is coming to be accepted among the subjects that may properly be included in international agreements concluded by the Community. This expansion of the international personality of the Community is a convincing demonstration of the logic of the case for European union. The same is true for a related activity, political consultation among the foreign ministers of The Nine, which has developed from modest beginnings in 1970. Though not envisaged in the Rome treaties, the practice of political consultation arose spontaneously in recognition of the small influence any one European country could exercise in the face of great international events. In the last four years, this consultation has become a well-established and frequent practice. Although such consultation remains outside the formal institutions of the Community, this distinction has grown tenuous with time and, as the process proves its value by giving the Community a weightier voice in international debate, another significant element of success is added in the balance for Europe.

### Future difficulties

If 1974 demonstrated the resilience of the Community in the face of economic crisis and imposed a degree of flexibility on the "scenario" for its further development, contemporary events show up starkly many of the difficulties to be overcome if further progress is to be made. The new spirit of pragmatism is no doubt healthy in itself, but voices are already heard questioning whether this is by itself enough. Can the dynamic for change on the scale required — involving institutions, historical loyalties, ingrained attitudes and the traditional perception of interests — be created without the idealism that inspired the earlier generation of statesmen? Worse, there has seemed in some quarters to be a weariness, a reluctance to pay the costs of further European progress. It had become painfully clear during the debate on EMU and the Regional Development Fund that massive transfers of resources between regions were a *sine qua non* of any move towards a genuinely integrated Europe. Yet there have been many complaints in the more prosperous regions about the existing level of costs within the Community and no enthusiasm for

*Political  
consultation  
developed  
spontaneously*

*Requirement  
of idealism  
to achieve  
change*

shouldering new burdens for the welfare and development of the less-favoured regions.

Moreover, in the short perspective, the Community has fallen far short of many of the objectives it has set itself. The Economic and Monetary Union is, by general admission, stalled; industrial policy has been much discussed, but positive action is elusive; energy policy seems easier to define and implement at a broader international level than within the Community; and regional policy, while some progress has been achieved with the creation of the development fund, remains a modest endeavour. All in all, the balance-sheet of achievement beyond the Customs Union is short and neither the latter nor the Common Agricultural Policy is functioning quite as well as intended.

The brief history of the European Community has been marked by recurrent crises that have seemed to call in question the viability of the institution and the validity of the idea of European unity. Time and again, however, experience has refuted pessimism. Although the processes of the Community are tortuous and lengthy, and such progress as it achieves is at the cost of enormous effort and expenditure of midnight oil, yet there have been steady advances and the disappointments tend to reflect failures of a grasp that is exceeded by the reach of European ambition.

It would be a rash prophet who dared forecast whether the European experiment will succeed. It is clear that the die is not irreversibly cast for success or failure. Nor

is the mould set firmly in favour of any particular solution. However, the great political challenges of the postwar era remain as basic facts of the European condition beyond the current flux, and the Community response, imperfect and hesitant as it may seem in detail, has with remarkable success contained those challenges. It is, indeed, ironic that this success, by disarming the threats that brought the Community into existence, has removed some of the sense of purpose and urgency upon which progress towards European union depends. And yet a measure of optimism is justified — there is some truth in the conviction of the founding fathers that European integration would generate a momentum of its own and that success would, in the last resort, be impossible to deny.

There is, of course, much more at stake than simply the success or failure of a Western European institutional experiment. Postwar decolonization and the impact of modern technology have given rise all over the world to new forms of political and economic organization, which groped towards solutions to the problems posed by new “ethnic” consciousnesses, new national aspirations, new economic needs. None of these experiments is as far-reaching or as all-embracing as that upon which the nine states of Western Europe have been engaged for nearly two decades, and it is not fanciful to say that their success or failure will condition and set a limit upon what may reasonably be attempted elsewhere for many decades to come.

*Experience  
has refuted  
pessimism*

## Canada's link with Europe still not widely understood

By David Humphreys

Negotiations have finally begun with the goal of establishing a “Contractual Link” between Canada and the European Community. Although nearly five years of background work lie behind this foreign-policy initiative, it is neither widely understood nor widely appreciated by even reasonably well-informed Canadians.

At best, the initiative now moving into the hard home-stretch of bargaining could result in a most significant activation

of the Third Option. That is, we could several years hence, find ourselves with greatly-strengthened economic and political relations with Europe, but with rather less dependence on our most valuable foreign ally and customer, the United States. At worst, our relations could continue much as they have been, except for regular institutionalized consultations. Happily, the worst is unlikely even from this uncertain vantage-ground.



Already we know that the European Community is prepared to establish a precedent in its own external relations in so far as it has no agreement, or Contractual link, with any other industrialized country. Even without the signing of any agreement, but unquestionably a product of its diplomatic background, the Community has opened a diplomatic mission in Ottawa, its third foreign mission after those established in the United States and Japan.

For the Community, Sir Christopher Paines of Britain, the commissioner for external relations, described the exercise, in an interview last spring, as pioneering. "It's breaking new ground — this is what makes it all so fascinating," he declared. "Because it would constitute a precedent, the Community would move with all deliberate caution. For Canada, Prime Minister Trudeau said Europe was "une bonne chance, une grande chance, une chance très importante". He used those words in his report to the House of Commons on October 28, 1974, on the first of his two visits to Community capitals.

#### Lack of coverage

Clearly, both sides consider the Link of some importance. And clearly it is a major Canadian initiative. Yet one will search in vain outside specialized publications such as this one for any consistent or thorough coverage of the Link and what it is all about.

The reasons are not difficult to find. Neither the Government nor the Opposition in Canada appears to rate foreign policy high on its scale of priority. Our leading politicians make few speeches with the intention of enlisting public support for foreign-policy initiatives. There has yet to be a full-dress debate in the Commons on the Contractual Link, and rarely in recent years has there been discussion of any other aspect of foreign policy.

The detail of the Link has changed substantially since External Affairs Minister Allan MacEachen last addressed the House of Commons Standing Committee on External Affairs and National Defence on the subject on October 22, 1974. The last definitive word was delivered in London by Prime Minister Trudeau on March 13 of last year. More about that later — but the speech was one of the Prime Minister's omnibus sermons about the state of the universe, and the newspapers concentrated on his "impassioned call for action to redress the balance of wealth between developing and industrial nations". The press has reported progress to

date poorly, but the Government has given it little encouragement to do better.

One of the first things the Government wanted the Europeans to do was to distinguish clearly between Canadian and American interests. Anyone following Canadian and American policies with regard to Europe itself will have noticed a distinct difference in style. Our diplomats were working quietly away on a new policy for Europe when the Nixon Administration announced, with suitable fanfare, the ill-fated "Year of Europe". Perhaps the fact that it *did* fizzle speaks well for the quiet Canadian style. Yet the lack of any public identity for the Canadian initiative, then in a very early stage, caused us to soft-pedal and delay our own progress.

The fact is that we were not sure where we were going. Canadian policy swung round slowly, from one of questioning relations with Europe and a reduction in military support for NATO in the late Sixties to an unequivocal embrace by the end of 1975.

The sign at the end of the long road back can be taken as the announcement, at the end of November 1975, to bolster the commitment to NATO. Prime Minister Trudeau said in a speech in Calgary in April 1969 that, in the order of defence priorities, the protection of Canadian sovereignty was in a separate category, with precedence over support for NATO. Yet, when Mr. James Richardson, the Minister of National Defence, was asked about the first priority at the end of 1975, he said that the main threat to Canadian sovereignty would come in Europe. Canada could adhere to the first priority by strengthening its defence support in Europe. What a timely and convenient rationalization to make when Canada and the European Commissions were trying to clear away the last European (Danish) reservations to allow negotiations on the Link to begin!

The Europeans have not formally linked the Link to the question of Canada's future support for NATO. Several European leaders did have some pointed

*Announcement  
of decision to  
bolster NATO  
commitment*

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comments for the Prime Minister on the subject. One Ottawa diplomat suggested that, if the defence review had not been favourable to NATO, the European attitude going into the negotiations might have been cooler. It is inconceivable that the impact of one on the other was not considered at the highest political levels.

### Policy evolved

Officially, there has been no change in Canadian policy but rather a gradual, unheralded evolution. This the Europeans should understand because the Community advances similarly. The Community and its policies of 1969 were vastly different from those in 1975. At biennial intervals, Community political leaders met to proclaim unattainable objectives. The reality has been more painful, more pedestrian.

To understand the Canadian motive, one must go back five years to the prevalent fear of protectionism in Europe and the United States, when British membership in the Community appeared probable. Former External Affairs Minister Mitchell Sharp said, at the NATO meeting of December 1970: "We could be left the choice of moving totally into the embrace of the U.S. or out in the cold." Canada stood to lose more than any other country in a protectionist battle.

Mr. Sharp's choice of the NATO forum to make his point was not without irony. The six members of the Community at the time were also members of NATO. The Canadian reduction of its forces in Europe by half had forced The Six to attempt to close the gap. All that really matters here is that the Europeans began to question not only our intentions as an ally but the depth of our interest in Europe.

During the summer of 1970, Robert Stanfield, the leader of the Opposition, toured four of the six member countries. Afterwards, he said he found an impression abroad that Canada was losing interest in Europe. It was absurd that we should allow this impression, he said. The foreign policy White Paper had given some Europeans the impression that we were becoming inward-looking. He was concerned about the way the world would look to Canada after Britain joined the Community. We should have to look at the options available, including some form of relation with the Community.

Mr. Stanfield deserves more credit than he has received for his perception. This was before Mr. Sharp's Brussels warning about protectionism, and well before either he or the Prime Minister began any public discussion of a special relation.

It was more than two years before Prime Minister Trudeau set foot in Europe — Britain — and four years before he reached Brussels.

At that time it was not considered remarkable to leave Brussels without an ambassador — who was doubling as representative to both the Community and Belgium — for several months. A separate mission to the Community, headed by J. C. Langley, was established at the end of 1972.

At the commercial level, Canadian exporters were (and still are, according to trade officials) missing opportunities to expand markets in the Community. The statistics show a steady increase in exports but the expansion has been concentrated in the area of primary products. The European growth area, however, has been in secondary manufactured products.

Appropriately, the first step in Ottawa to prepare for the inevitable expansion was a study group set up in 1971 by the Department of Industry, Trade and Commerce. The results showed that \$600 million in exports to Britain annually would face some form of barrier.

### Dupuy mission

Michel Dupuy, the Assistant Under-Secretary of State for External Affairs, led the delegation to Brussels in June 1972 to consider the prospects for a special relation. The Commission was not keen on any precedent-setting bilateral arrangement. A Canadian proposal at the time for a joint ministerial-level commission posed impossible problems for the Community because it had no authority to nominate one minister to speak on behalf of all nine.

Yet, even then, a spokesman for the Commission claimed "great recognition here for Canada's problem and a desire to help as much as possible". It established a separate Canadian section in its external relations division. Under the Link, this will be enlarged and will at least offer Canada what one diplomat called "a assured point of contact" in the Commission. In November 1972, top officials from both sides met in the first of the semi-annual meetings that continue to the present and will probably be supplanted by whatever form of consultation is negotiated in the current round.

Parallel to the Dupuy mission, the Senate Standing Committee on Foreign Affairs undertook its own study. It concluded, in a report dated July 1973, that there was "a serious information gap about the Community in Canada". It recommended that Ottawa press hard for an information office in Canada. There was





*Francois-Xavier Ortoli, President of the Commission of the European Communities, made a visit to Canada earlier this year during which he formally opened the office of the Legation from the Commission. While in Ottawa, Mr. Ortoli met with the Prime Minister and attended a round-table discussion chaired by Secretary of State for External Affairs Allan J. MacEachen and attended by the Minister of Energy, Mines and Resources, the Minister of Industry, Trade and Commerce, and the Minister of Agriculture. He is shown here at the press conference held at the end of his visit.*

precedent for that in the large Community meeting in Washington. With subsequent dialogue, the mission has become fully diplomatic and, in fact, opened towards the end of 1975.

Without fanfare, various proposals were debated after the Dupuy mission. A preferential trade agreement, one that would discriminate against the United States and other trading partners, was never considered. Canada actually submitted a draft of a bland agreement that stated the most-favoured-nation (MFN) provisions both Canada and The Nine had already subscribed to under the General Agreement on Tariffs and Trade (GATT). Its text would become meaningful only if the GATT crumbled.

This is the agreement described by Mr. MacEachen in his last report on the subject on October 22, 1974, to the Commons Standing Committee on External Affairs and National Defence. However, that instrument became passé when Prime Minister Trudeau went to Brussels soon afterwards and agreed with the Europeans that it did not accomplish much.

The winter of 1974 became the gestation period for the new, improved model that the Prime Minister was able to define when he completed his second visit to Europe, in March 1975. No general agreement was possible, he told a London au-

dience, owing to the uncertainty of the pace of European integration: "What can be done is to create a mechanism that will provide the means (i.e. the 'Link') and the obligation (i.e. 'Contractual') to consult and confer, and to do so with materials sufficiently pliable and elastic to permit the mechanism to adapt in future years to accommodate whatever jurisdiction the European Community from time to time assumes."

The parties have since agreed to dress up an agreement providing for economic and commercial co-operation in the broad sense of sketching objectives and intentions rather than making any immediate undertakings. Thus, one of the articles under consideration would provide the framework for joint co-operation in discovery, extraction, processing and marketing of energy and other raw materials and resources. That provision alone could mean much or little, depending on a whole range of factors.

Some form of restatement of MFN principles from the GATT is taken for granted. Also probable are provisions for information and technology exchanges, joint industrial ventures, and trade and information missions.

The negotiators are also working on the actual machinery of consultation. The final document will probably contain an

*Statement of objectives and intentions rather than undertakings*

article in which the parties undertake to give sympathetic consideration to any representation the other party may make concerning any aspect of their relations. An initial five-year term has been suggested, and diplomats on both sides agree that it will take as long to measure the value of the agreement.

### **Cynicism easy**

What does it all really mean? At this early stage, it is easy to be cynical, but also superficial and premature. For instance, the parties have consulted at a high level twice a year for four years. Consultations will now become obligatory. Europe has long been a prime trade target, and missions, fairs and promotions have been regular. Even before the Link existed, three Community information-seeking missions had visited Canadian industries. Twenty per cent of the foreign-based trade staff are already situated in the Community. Now those activities will be backed by a piece of paper. The British and French have seen to it that existing and new bilateral agreements will continue as before. The Link will not supersede them.

One can visualize circumstances in which an obligation to consult on economic matters affecting each other might well prevent a serious deterioration in relations or a misunderstanding. And there is no doubt that the permanent mission of the Community in Ottawa is the fruit of the Link diplomacy, even if it is not part of the agreement.

Part of its role will be to facilitate activities under the agreement. Emphasis is being placed on its information activities. Four members of the total staff of 14 will be handling information. The head of mission is Curt Heidenreich of West Germany, who came to Ottawa from the mission in Washington.

Tangible examples of activities are readily forthcoming. The Europeans are looking to Canada for more clarification of the web of regulations and legislation governing commercial activity, and particularly investment. The Foreign Investment Review Agency is of concern because it is believed to operate with wide powers of discretion. (The Community represents 15 per cent of foreign direct investment. The U.S. has 80 per cent). Canada, to the European, is not unlike Europe to the Canadian, with its several jurisdictions and one central bureaucracy.

Europe is a continent without a vast store of raw materials. Canada's resources are attractive and the Link may eventually lead to better access to them. At present, it should be noted that Ottawa is very

conservation-conscious. It is more interested in identifying markets to help small- and medium-sized manufacturers finished goods win a larger stake in the world's biggest market. However, the interests could be complementary if exports of consumer goods could be made to expand at a substantially faster rate than those for raw materials.

The European interest is mainly economic, the Canadian mainly political. Canada will be left with its engagement with the Community at an early stage of development, which the U.S. does not have, and, perhaps, because of its sheer size does not need. The Link is thus merely beginning.

It is for Canada the most substantial exercise of the Third Option. It is an exercise in separate identity, away from North American integration. It is an option that is based on European integration. Prime Minister Trudeau and Chancellor MacEachen have both praised the idea of European unity.

Much more, the Link will involve Canada in that unity, or lack of unity, to the extent that it allows the Commission to extend the level of its area of competence. This has been taken into account by the Commission in its support for the opening of negotiations. In many ways the appointed Commission is the most enthusiastic arm of the Community, assisting as it does of committed European integrationists and idealists.

### **Reservations remain**

Canada must realize that Europe is not united and that grave reservations remain among its member countries about the pace of further integration. Those reservations could extend to the pioneering exercise in foreign relations that is about to begin. According to most reports, Europe has lost its vision. Looking ahead at the prospects recently, Belgian Prime Minister Leo Tindemans reported: "Europe seems to have lost its air of adventure." That is hardly a good omen for a third country seeking to embark on an adventure.

Yet many in the Community are attracted in a relation with Canada. They too are highly dependent on the militarily and economically, and some version of relations may be welcome. There is a certain significance and the possibility of adventure for Canada in it. But that has totally failed so far to reach the public consciousness. Perhaps when the negotiations are completed — probably later this year — there will be some fanfare in Canada intended to convey the importance of the new conception.

*Bilateral  
agreements  
will continue  
as before*



# Canada's developing relations with the Europe of "Eighteen"

Jean-Yves Grenon

Canada, a largely European country"—

Count Sforzo G. Sforza, Assistant Secretary-General of the Council of Europe

Since our country began to make a effort to diversify its contacts within framework of the "Third Option", Canadians, particularly those in the business world, have been learning more and more about the European "Nine", with which Ottawa has, in fact, undertaken to negotiate a general agreement of major economic importance. However, we know very little about the "other" Europe, the 18 democratic states making up the Council of Europe, which has its headquarters in Strasbourg, despite the fact that it is the oldest postwar European organization and organizes joint programs in various fields — excluding defence — that concern man and his environment. With its 18 member countries, the Council of Europe covers a larger area — from Ankara to Reykjavik, with 320 million inhabitants — and has a wider sphere of activity than any other European political organization. It took Canada a long time to recognize the value of seeking ties with this large group of countries, but we now seem ready to move quickly.

## Organization

The Council of Europe was born in 1949 from Western Europe's general desire for closer ties, and even for a United States role in Europe, which was called for as early as 1946 by Winston Churchill in his Zurich speech. The historic Congress of Europe, held at The Hague in 1948 under the auspices of the so-called "federalist" movements, expressed similar sentiments. In response to a proposal by France and Belgium, a ten-nation study committee met in Brussels in late 1948. The French and the British advocated a formula based on progressive integration and a deliberative assembly, while the British would go no further than to suggest some kind of more or less continuing diplomatic conference. They eventually arrived at a compromise creating a European organization that

was called not the European Union but the Council of Europe, and was based on a consultative assembly and a ministerial committee. Symbolically, Strasbourg, at the very heart of war-ravaged Europe, was chosen as the headquarters. The constitutive Statute, negotiated in the form of a treaty, was signed in London on May 5, 1949, by representatives of the ten founding members — France, Britain, Belgium, the Netherlands, Luxembourg, Italy, Ireland, Denmark, Norway and Sweden —, which were followed by Greece, Turkey, Iceland, the Federal Republic of Germany, Austria, Cyprus, Switzerland and Malta. The Statute aims at closer union in order to safeguard those ideals and principles that are the heritage of all Europeans. The first European organization had been born, and the European flame burned brighter than ever. That first assembly was later to inspire the creation of other parliamentary assemblies, such as those of the European Coal and Steel Community (ECSC), the European Economic Community (EEC) and the Western European Union (WEU). Internal developments in Spain and Portugal suggest that both countries will soon meet the requirements for membership of the Council.

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The Council of Europe is composed of two main bodies: a Parliamentary Assembly and a Committee of Ministers, assisted by a Secretariat. What really makes the Council different from the other inter-governmental organizations is the fact that the Assembly is composed not of government representatives but of parliamentarians from each country. The Assembly is the first European parliament, and perhaps the first international parliament; it brings together 147 parliamentarians and symbolizes a new approach, the representation of peoples, not governments. Even though it has no legislative power, it promotes European ideals by adopting resolutions and by presenting the Committee of Ministers with recommendations that, because of the high priority given to improving the "quality of life", are often surprisingly bold and original. Even though it is only a consultative body, the Assembly acts, nevertheless, as an initiator, communicating to others its enthusiasm for European unity. It is, in fact, a "laboratory" for new ideas. It meets three times a year and once with the European Parliament. Its 13 special commissions sit more often. The Assembly deals, among other things, with all major international problems of the day, thus making Strasbourg a useful listening-post. It is no surprise that many statesmen — Churchill, Robert Schuman, Spaak, Senghor, Adenauer, De Gasperi and U Thant, to mention only a few — have addressed the Assembly because it is an excellent platform for the promulgation of European thought and action. The current Secretary-General of the United Nations, Kurt Waldheim, is to speak at the next session of the Assembly, in May.

It is the function of the Committee of Ministers to follow up the Assembly's recommendations at the government level. The Committee, a diplomatic body in the traditional mould, is composed of the ministers of foreign affairs from all 18 member states. Each minister appoints a delegate, usually of ambassadorial rank, who also acts as permanent representative in Strasbourg. The ministers meet twice a year; the delegates, for roughly one week every month. Furthermore, the Committee has, over the last few years, promoted the organization of ministerial conferences in fields such as education, the environment, justice, culture, land use, family life and labour. As a general rule, the Committee has the decision-making powers required to resolve all questions involving the Council. The scope of its political activity is extensive. In particular, it approves the work program and the conventions drawn

up by committees of experts from the various countries. It adopts common policies and sends resolutions to the various governments. An annual conference brings together the ministers and the heads of the Assembly's commissions to discuss a question of major importance. It must be admitted that the Assembly sometimes clashes with the Committee of Ministers, criticizing them for failing to go as far and as fast as it wishes on intergovernmental questions. The conception of politics and the art of the possible has a clear application here.

The Secretariat is small — barely 700 officers, compared to 7,000 in the Commission for the European Communities — but does work of a high standard. Its major task, that of serving the Assembly and the Committee of Ministers, is a delicate and thankless one. With perseverance, it manages to run the Council's general program efficiently, but the initiatives it takes are sometimes considered too idealistic and are not accepted immediately. The Council also has offices in Paris and Brussels.

### Work of the Council of Europe

While most international organizations have a more-or-less-clearly defined sphere of activity assigned to them, the member states of the Council agreed to set up an organization that could concern itself with virtually all areas of human activity. Essentially, the Council's aim is to improve the quality of life and to develop human values in Europe. The task is a major one and will take a long time to carry out, because of the marked differences among the 18 states involved. Hardly had the Council been founded than, in 1960, wishing to deal with the most pressing postwar problems, it adopted a European Convention on Human Rights. For the first time, such an instrument provided an effective guarantee of basic liberties; this one has served ever since as an example in other areas of the world. All member states of the Council are bound by the Convention, which has succeeded in transforming the general principles of the Universal Declaration of Human Rights (1948) into genuine legal obligations enforced by a Commission and a Court, both of which are independent bodies, and by the Committee of Ministers. It should be noted that, in most of the member countries, any person alleging that a contracting state has violated the Convention may institute proceedings before the Commission itself. At the time, the "direct impact" of the Convention represented a most significant development in the field of international law. The originality of the system ma-

*European  
thought and action  
promulgated  
at Assembly*



to be seen in the fact that two bodies are empowered to make rulings: the Committee of Ministers, which is political, and the Court, which is judicial. The flexibility of this formula has proved most effective, as shown by the great number of inter-governmental and individual matters of all kinds brought before the Commission. Moreover, of all the activities of the Council of Europe, the protection of human rights is probably the one with which the man in the street is most familiar.

Everyone has noticed the blue signs with the circle of gold stars, emblematic of the Council of Europe, on the approach roads to thousands of European towns and villages that have been "twinned" under the Council's aegis. This is tangible evidence of the desire of the "Eighteen" to strengthen European consciousness by intensifying human contacts. Ever since it was founded, the Council has been so active that, at one time, it was dealing with almost every major European problem. Thus it was in Strasbourg that the ESC and the EEC projects were launched. Moreover, with the help of the Council, public-health standards have been improved, social law in the various European countries is moving towards greater co-ordination (even unification), and an educational and cultural policy is on the drawing-board, while efforts are continuing in the areas of the environment, nature conservation, the preservation of Europe's architectural heritage, crime prevention, defence policy, development aid and many others, and appropriate recommendations are being made to governments.

An even clearer demonstration of the Council's work may be found in the 84 conventions and agreements that have been drawn up (others are being negotiated) covering a wide range of subjects, such as adoption, social security, pharmaceutical products, cultural affairs, education, freedom of movement, communications, arbitration in the private sector, peaceful settlement of differences, extradition, the transportation of livestock and the common passport for young people. The Social Charter deserves special mention. It should also be noted that the Council is working towards the establishment of a highly-developed European judicial community, which, in many instances, goes beyond the mere harmonization of laws. In short, it is the search for a Western morality and a higher quality of life that is reflected in this very impressive network of European conventions. The latter are distinguished by the high standard of the many expert committees, made up of representatives from all 18 countries

who come to Strasbourg on a regular basis in order to work together. The Council invites persons who are authorities in particular fields to sit on these committees.

In addition, the Council organizes conferences and seminars that are often multidisciplinary in format and thus bring together personalities from Europe and elsewhere who are in the forefront of modern developments and modern ideas. The Council lends its support to the European Science Foundation, set up recently in Strasbourg. It should be added that the review *Ici l'Europe*, its supplements and the Council's other specialist publications are of considerable interest.

### At the crossroads

With the birth of the Common Market and the emergence of a new order of relations among The Nine, who make up half the Council – not to mention the financial, administrative, judicial and other means at the Community's disposal –, the Council was bound to take stock of the situation and reflect upon its own role. It should, indeed, be noted that the dynamics of European integration – excluding defence questions – are today generated by two main sources: Brussels, for general economic and other related problems, and Strasbourg, for basic human rights, the quality of life and a greater measure of social justice. It is perhaps an overgeneralization to speak of a Europe with two centres, for intergovernmental relations are, in reality, more subtle and more complex. It would also be an oversimplification to see Strasbourg as no match for the giant in Brussels.

Nevertheless, it seems clear that the Council's role as a unifying force has, to a large extent, been assumed – for half its members, The Nine – by the vast apparatus that the European Economic Community has become. After the EEC was enlarged, the Council of Europe found itself at the crossroads, as it were, and it has since been trying to adapt to new realities. The Council had the good sense to keep as its main activities those it could perform more effectively than any other European organization, thereby avoiding any unnecessary duplication or dissipation of effort. Accordingly, on January 24, 1974, the Committee of Ministers resolved that the Council should concentrate its efforts in a certain number of areas such as the promotion of human rights, social problems such as that of migrant workers, educational and cultural co-operation, questions relating to youth, public health, nature conservation, the human environment, land use, regional and municipal co-

*Two main sources  
for generation  
of European  
integration*

operation, the harmonization of laws in particular sections and crime prevention. The text of the resolution, while it is rather long, should nevertheless be read attentively by those who want to find out what the role of the Council of Europe is going to be.

More recently, the Council set up an office in Brussels to provide liaison with institutions in the various European communities and make it easier to co-ordinate the work being done in the two "European capitals". In short, the Council has shown vitality and flexibility in the way it has adapted to a different context from that of the Fifties and Sixties. Moreover, the Council's work program, significantly entitled *L'Homme et le milieu européen*, is an extremely interesting document, reflecting the new policy trends that were anxiously awaited in Strasbourg.

Besides making some indispensable changes of a functional nature, the Council, spurred on by its new Secretary-General, Georg Kahn-Ackermann, and many parliamentarians, is endeavouring to increase its influence in the area of foreign policy. It is not without a certain envy that the Council's other members watch The Nine consult one another regularly and even work together on the major international questions, and this is why the idea has been proposed of systematic consultation among The Eighteen at the level of the Committee of Ministers. In the lobbies, there has even been talk of setting up, amongst The Eighteen, an equivalent of the "Davignon procedure". The idea has by no means been fully elaborated, and not all The Nine seem to be enthusiastic, but it could gain more support, if one is to judge, for example, by the concrete steps taken at the CSCE and the fact that the Council would like to participate in future developments.

While the Council of Europe is not a *bloc* and has never been inward-looking, over the last four or five years it has been visibly increasing its contacts with European countries such as Spain, Portugal, Romania, Yugoslavia and Finland, which are not members, and with non-European countries, especially Canada, the United States, Japan, Australia, New Zealand and Israel. People come from all parts of the globe to speak before the Parliamentary Assembly. Parliamentary delegations and diplomatic representatives from various countries attend sessions of the Assembly, while experts from certain countries take part regularly in the work of specialist committees such as the Committee on Cultural Co-operation and have the right to speak. Many non-governmental and

intergovernmental organizations, such as the General Agreement on Tariffs and Trade, the International Bank for Reconstruction and Development, NATO, the WEU and the ICEM, are represented at various meetings, while others, such as the OECD, the EEC, the EFTA, the ILO and UNESCO submit activity reports to the Assembly.

### "Largely European"

According to Count S. G. Sforza, the Assistant Secretary-General, whom we quoted at the outset, Strasbourg regards Canada as "a largely-European country". The fact remains that it has taken our country some time to become interested in the activities of the Council of Europe, but it seems probably that, under the impetus of its new European policy, Ottawa will try to make up for lost time. The Consulate General recently opened in Strasbourg should make quite a significant contribution, especially as the man in charge, Ambassador Michel Gauvin, is a very experienced diplomat. Between 1965 and 1973, the Canadian delegation to the OECD established certain contacts, mainly at the time that Organization's annual report was being submitted to the Council of Europe, but such contacts were very superficial. As from January 1973, following an exchange of diplomatic notes, it became the responsibility of the Embassy in Brussels to maintain liaison with the Council. Ambassador Jules Léger and his successor, Lucien Lamoureux, worked hard to improve relations with Strasbourg.

While these contacts were being made at the Government level, Canadian Parliamentarians were taking the initiative and establishing lasting ties with the Parliamentary Assembly. In 1969, a large delegation of Members of Parliament and Senators, under the joint chairmanship of the Honourable Paul Martin and the Honourable Donald Macdonald, made an initial visit to Strasbourg; parliamentarians of the Council of Europe, for their part, made an official visit to Canada in 1971. It was this meeting that led to the current arrangements whereby delegations from the Parliamentary Assembly of the Council of Europe and from the Parliament of Canada exchange visits every two years, in Ottawa and Strasbourg alternately. Senator G. Vedovato, then President of the Parliamentary Assembly, was officially welcomed to Ottawa in February 1975. He had talks with the Governor General, the acting Prime Minister, the Secretary of State for External Affairs and other ministers, the Leader of the Opposi-



on, the Leader of the New Democratic Party and other figures.

Senator Vedovato also met the Speakers of both Houses of Parliament, and as a result of these meetings it was agreed that Canadian Parliamentarians should henceforth be invited to all plenary sessions of the Assembly, and should have the right to speak and submit memoranda on questions of common interest. This recently-announced agreement on the participation of Canadian Parliamentarians in the work of the Parliamentary Assembly marks an extremely important stage in relations between Canada and the Council of Europe. It provides for observer status for all but name, because, in its present form, the Council Statute does not permit anything more. The Speakers of both Houses confirmed the agreement by sending a delegation of Parliamentarians to the 1975 fall session, which was devoted in part to the OECD report of its activities. The delegation was led by Senator Maurice Bourget, and included G. W. Baldwin, J. P. and M. Prud'homme, M.P. It should be said that Mr. Baldwin was involved in unofficial exchanges prior to the establishment of formal arrangements, having been a member of the 1969 and 1971 delegations. More recently, other Parliamentarians, including Senator Lamontagne, played an active part in the Council's parliamentary and scientific conference, held in Florence last November. The theme of the conference — "Science and the Future of European Man" — is the kind of topic that could not fail to interest Canada. Plans for Council parliamentarians to visit Canada in 1976 are being studied.

While relations between Canadian Parliamentarians and their counterparts in the Eighteen are now well-established and to some extent institutionalized, contacts relating to the Council's intergovernmental activities are more recent and less advanced. It is interesting to note, in this regard, that, during the October 1975 session, the Assembly adopted a recommendation — directed to the Committee of Ministers — inviting Canada to become more closely involved in those Council activities that were of mutual interest. One might almost say, indeed, that Europe is being offered to us on a plate! Thus, in the years to come, Canada will presumably be invited to sit as an observer on a number of expert committees and take part in conferences and other activities of common interest. Moreover, if one reads the Council's work program for the next few years, one realizes that such areas are not lacking. Last October, in fact, the Secretariat

drew up an interesting provisional list of them for Canadian Parliamentarians.

A senior official at the Secretariat thought that Canada should be invited to Strasbourg whenever it felt that European experience in a particular area was likely to concern it directly and whenever Canadian experience in a given sector would be of help to the Europeans of the Council of Europe in their work. This is a relatively simple and flexible principle, upon which Canada and the Council could base future intergovernmental relations in a systematic way, each side in turn using it to considerable advantage — provided, of course, that we could be as good as our word, and were prepared to respond to invitations. There is, therefore, an increasing need for a full inventory of Council activities in order to identify the ones that are likely to be of interest to the federal and provincial governments. It should be noted that a number of Council activities touch on areas coming under provincial jurisdiction in Canada. The possibility therefore exists of a measure of valuable federal-provincial co-operation, about which we could be thinking in concrete terms.

In the last few years, Canada has been represented on several expert committees concerned with such legal problems as treaty law, the fight against terrorism, the responsibility of producers, relations between states and international organizations, and economic obstacles preventing access to civil justice. We have also shown interest in the work The Eighteen have been doing in such areas as legal information, penal justice, science policy and the environment. The Environmental Impact Assessment Centre of the Department of the Environment is also interested in the work being done in Strasbourg. Canada was a close observer at the recent multi-disciplinary round-table conference on twentieth-century prospects and long-term European perspectives. For the first time, our country has been invited to the conference of (European) ministers of the environment, to be held in Brussels in March 1976 under the auspices of the Council of Europe — a very important development. The conference of planning ministers that is to take place in Rome during the fall of 1976 may also be useful; the conference on the evolution of democratic institutions, set for the spring of 1976, should be of the utmost interest to us; and the Amsterdam conference on the preservation of architectural heritages has also caught the attention of Canadian specialists. The Council of Europe, for its part, will take part in

*Canadian  
interest  
in work  
of Eighteen*

Habitat 76 in Vancouver. It should also be noted that, over the last few years, the directors of all the divisions of the Department of External Affairs concerned with European matters have made fact-finding visits to Strasbourg. In short, the idea of closer co-operation at the intergovernmental level is also gaining ground.

### Closer relations

The preceding remarks are merely an introduction, and the following ideas are intended to form a basis for consideration of the future development of our relations with Strasbourg.

As we have seen, the conventions and agreements signed under the aegis of the Council of Europe involve a variety of subjects, largely relating to the protection of human rights and the improvement of the quality of life. They may be signed by non-member countries and, as has been pointed out many times, Canada should give serious thought to the possibility of adhering to some of these accords — for example, those relating to patents, television, adoption and mutual assistance in penal matters.

The Council's European Youth Centre in Strasbourg is ideally equipped for meetings and conferences and has a fine library, to which Canada has already given a few basic works. In the future, contacts could be established between the Centre and Canadian youth organizations wishing to share their experiences with the young people of Europe. The Canada Council and other foundations could perhaps encourage Canadian researchers to go to Strasbourg to study the information material to be found there; they would certainly be well received, and would enjoy a most rewarding experience. The possibility of arranging educational visits for young graduates, as the Commission of the Euro-

pean Communities does in Brussels, might also be considered. In the same context, centres for European studies in Canada would benefit by acquiring more copious documentation on The Eighteen. It would also be desirable for our European newspaper correspondents to take more interest in the Council's activities, which they would certainly find to be a mine of information.

Perhaps the Council of Europe, which states that it is "open to the world", will one day grant certain "largely European" states such as Canada the status of "permanent observer", similar to the status the Organization of American States has been conferring since 1971 on certain countries with a keen interest in its activities. Canada, Belgium, the Federal Republic of Germany, France, Guyana, Israel, Italy, Japan, Portugal, Spain and the Netherlands. With the future in mind, the Organization's example merits serious consideration by the Council of Europe, even though the new formula would necessitate an amendment to the 1949 Statute. There are many Canadians — Parliamentarians in particular — who would welcome such an initiative.

In short, there can be no doubt that if Canada wishes to increase its contacts with Western Europe, it has every interest in following the work of the Council of Europe more closely. Moreover, there is in my view, no greater or more representative political forum in Western Europe for putting forward the Canadian point of view at the Parliamentary level. The day is surely approaching when the Prime Minister of Canada or the Secretary of State for External Affairs will make an official visit to Strasbourg to present the general lines of our foreign policy and stress the increasing importance it places on the new forward-surg-ing Europe.

## Social partnership protects Austria from economic woes

By W. L. Luetkens

The only true economic miracle occurred in Austria — after all, the Germans had to work for theirs. Thus runs a piece of self-irony and self-knowledge much appreciated by Austrians. The facts behind the little joke are impressive.

From being a largely agricultural state in the interwar years, too rich to starve and too poor to survive, Austria has become a highly-industrialized nation; industrial production had, as early as 1949, outstripped prewar levels and



per capita gross national product (GNP) is already overhauled that of Britain. All this has been achieved in spite of obvious signs of overmanning both in industry and in the civil service.

Ask any reasonably well-informed Austrian about the secret of how it was done, and he will probably mention *Sozialpartnerschaft* (social partnership). It is a term that cannot be translated readily into English, because the idea that labour and capital are "partners" is not as widespread in the English-speaking world as it is in the German-speaking world. Given their economic performance since the war, it is hardly surprising that the notion of social partnership, which has been developed furthest in Austria, should have attracted considerable international attention. The Organization for Economic Cooperation and Development (OECD) itself was intrigued, and sponsored a study of the Austrian approach.

Before looking more closely at the workings of social partnership in Austria, it is as well to look at some other factors that worked in the country's favour. The adequate level of industrialization in what was left of Austria after the First World War was to a great extent corrected after 1938, when Austria was annexed by Germany. Heavy industry was established, as well as a chemical industry.

The independence of the country was restored in 1945, but some of the factors that released industrial energies in West Germany were operative in Austria as well: sound infrastructure and administrative practice, the existence of a skilled labour force, and a tendency, after the collapse of the Third Reich, to eschew political distractions and to concentrate on material progress.

### Germany's neighbour

Add to that the geographical proximity of West Germany, whose economic prosperity spilled across the border into Austria. German tourists by the million brought money into the country, and, since Austria had a thriving network of small enterprises in the tourist sector, in handicrafts and light industry, tourist spending had a more lasting pump-priming effect than in more primitive economies, such as those of some of the Caribbean islands.

The German link was of help also to manufacturing industry. To a large extent, Austria sells German-style technology; its exporters come into their own when the Germans are booming. Sometimes they are preferred also for political reasons, especially by buyers in Eastern Europe or the

Middle East — or, at any rate, Austrians like to think so.

The Austrian situation has thus, certain intriguing similarities to that of Canada — West Germany is the elephant with which Austria has to share a bed. The situation can be uncomfortable, but is indispensable to the economic success both of Canada and of Austria. In the one case, 22 million people share the "life-style" of 210 million; in the other, 7.5 million people share the "life-style" of 62 million. In both cases, the cyclical and long-term economic patterns of the smaller neighbour are inevitably heavily influenced by what happens to the larger. And, in both cases, the industries of the two neighbouring states are closely intertwined.

However, in the case of Austria, that does not extend to the actual ownership of industry. Largely as a result of historical accident, about 30 per cent of all Austrians in dependent employment work in the publicly-owned sector, and 20 per cent of the GNP is contributed by this sector. Utilities, most primary industry including steel, and also much of the engineering industry, are owned either directly by the state or indirectly through the state-owned banks.

With some important exceptions (principally the deficit-ridden railways), these state-controlled businesses are expected, by and large, to comport themselves like privately-owned ones. In the early years after the war, it was different: a dual-pricing policy was pursued in order to keep down the domestic price level; but, as export markets became more difficult, that idea had to be abandoned. Nonetheless, it can be argued that the publicly-owned sector has contributed to the consensus in the management of the Austrian economy; the big battalions march under one command, and, as will be explained, the same is true of the trade union movement.

Though the attempt to run the economy on the basis of consent has a long history in Austria, it is by no means true that it has always been so. Social conflict was fierce indeed in the 1920s and 1930s, ac-

*Thirty per cent  
of Austrians  
employed  
in public sector*

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*Mr. Luetkens is a member of the foreign editorial staff of the Financial Times of London. He has often been intrigued by certain similarities between the positions of Canada and Austria. In this article, expressing his own views, he explains how Vienna has tackled inflation in a manner very different from that of Ottawa. Mr. Luetkens also contributed an article to the July/August 1975 issue of International Perspectives.*

tually leading to civil war in February 1934, when the Right, drawing its strength largely from the agricultural community and the *petite bourgeoisie*, crushed the strong Socialist movement based upon Vienna.

What followed were the semi-fascist regimes of Engelbert Dollfuss and Kurt Schuschnigg, which, in their unprepossessing way, sought to overcome class conflict by adapting to their needs Catholic social thinking dating back to the second half of the nineteenth century. Stripped of the authoritarian elements attached to it by "Austrofascism", Christian Social (not Socialist!) thought has become a crucial element in Austrian practice. But two new elements have been added: a willingness to compromise with the Socialists, who are secular rather than anti-clerical and who, in their turn, have largely abandoned their doctrinal dedication to Marxism; and a readiness to accept economic liberalism, albeit in a modified form.

### Reconciliation

The reconciliation between parties that had been at each other's throats in the 1920s and 1930s found its most visible expression in the formation of a coalition government, the so-called Grand Coalition, which ruled Austria from the restoration of independence in 1945 until 1966. Though others also took part during the early years, the main pillars of this "black-and-red" coalition were the People's Party (*Oesterreichische Volkspartei* or OeVP) — successors to the Christian Social Party — and the Socialists.

It was a unity forged by the experience of German occupation and the realization that Austria, if it was to remain independent, could not afford to fall back into the conflicts of the interwar years. During the period of the Grand Coalition, the institutions of social partnership were perfected. When the Grand Coalition broke up, giving way to cabinets first of the OeVP and then of the Socialists (with the temporary adhesion of the smaller bourgeois Freedom Party), these institutions were not abandoned; on the contrary, their importance may have grown, since there was a strong feeling that national unity must survive the end of coalition government.

The origin of those institutions goes back to the third quarter of the nineteenth century, when the Austrian network of chambers of industry and commerce were set up. Unlike other countries, Austria made membership in these chambers compulsory upon industry and tradesmen. Their function was to be a certain self-

regulation of business, and to provide business with a means to make its voice heard by government. The chambers also delegated representatives to supervisory bodies of institutions such as the state-owned railways.

In the 1920s, similar representative bodies were set up for the farmers and for labour. The latter, the *Arbeiterkammer* (chambers of labour) were not an alternative to the trade unions; to this day, the trade unions negotiate wages with the employers who, for that purpose, are organized into a Federation of Industries. Like the chambers of commerce, the chambers of labour and the chambers of agriculture were intended to represent the interests of their members as a group within the state; they provided, in fact, the skeleton of a corporate state. But as long as the trade unions were in existence — that is, up to the present, except for the period from 1934 until 1945 — the countervailing power prevented that skeleton from turning into the reality of the corporate state.

### Worker participation

A second institutional element of social partnership is provided by workers' participation, which dates back to the establishment of a *Betriebsrat*, or works council, for all but the smallest industrial enterprises. The councils are elected by the white- and blue-collar employees, and have a right to consultation on all matters affecting the labour force. This includes the right of veto over mass dismissals, though that is rendered largely innocuous by being subject to outside arbitration.

The precise influence of a works council is very much a matter of personalities, but it has been said that, where the council is determined, it is almost impossible to run an enterprise against its wishes.

During the current decade, the institutionalization of workers' participation has been completed by providing that, in the larger businesses, one-third of the supervisory board are representatives of labour. They are, therefore, in a 1:2 minority *à-vis* the shareholders' representatives, a body that lays down long-term policy and appoints an executive board to run the business. Unlike the German trade unions, those in Austria have preferred not to go for parity and for a seat on the executive board, arguing that such a structure would inevitably lead to conflicts of interest.

Yet, given the wide spread of state ownership in industry, the Socialists are in practice, deeply involved in its running.

*Experience  
of occupation  
forged unity*



they have their representatives in the management of these industries, and likewise the trade unions are involved on the entrepreneurial side through their ownership of a bank and a number of industrial concerns.

Trade union organization in Austria is firmly centralized: the prewar structure of competing labour organizations of differing ideological and party loyalties has been won over to one Austrian Trade Union Federation, the *Oesterreichischer Gewerkschaftsbund* or OeGB. Its member unions are really little more than branches of the federation, one for each industry or group of industries. Power resides at the centre.

These are the structures upon which Austria has placed in 1957, as the coping-stone, what it were, of social partnership, the so-called Joint Commission on Prices and Wages. Its job is to contain inflation by making labour justify its wage demands and business its price increases. The membership includes the head of government, the present Dr. Bruno Kreisky, a Socialist, and the presidents of the OeGB and of the networks of chambers of labour, commerce and agriculture. Meetings are held monthly.

#### Legal powers

The crucial point about the Joint Commission is that it has no legal powers to prevent either wage increases or price increases. Its subcommission on wages discusses wage claims as they arise. There is no firm understanding that collective bargaining will not begin before the Joint Commission has approved; in practice that means that the frequency with which wage claims are made is less than it otherwise might be. The Commission has no influence over bargains struck at plant level and hence over the phenomenon of wage drift or effective wages rising more quickly than the minimum rates negotiated by collective bargaining. That was an important factor in a rapid rise of Austrian unit labour costs in the final phases of the last boom.

The powers of the subcommission on prices are equally slender, except that the Chamber of Business, the head of the chambers of commerce organization, has taken on an undertaking that its members will refer intended price increases to the commission and abide by its view as to whether they are justified by costs.

Not every commodity or service is subject to this very loose form of price control, or rather price restraint. Clearly, it does not apply to goods subject to agricultural marketing orders or those carrying officially-manipulated prices. But

new products are also exempted, as are those subject to the vagaries of fashion. Fewer than half the prices charged by the retail trade come under the Commission's purview, though the proportion is much higher in the field of capital goods.

It has been argued that the entire approach is less able to deal with "demand pull" than with "cost push", since on the incomes side it is applied only to wages and salaries, and even in their case excludes plant contracts.

What really emerges is that partnership has worked because the "partners" want it to. Mr. Derek Robinson, in the OECD study, says it has been suggested that the success of this sort of policy depends upon whether people believe in it. In Austria they seem to believe in it, and it has, therefore, prevented inflationary expectations from getting out of hand and in their turn aggravating the problem. To what extent faith healing is involved may be deduced from the extremely flimsy nature of the sanctions provided.

If a firm decides to break ranks and puts up a price against the judgment of the Joint Commission the sanction provided is very nearly ineffectual: should the Commission unanimously ask for it, the Ministry of the Interior has powers to freeze that particular price for a maximum of six months. In practice it has never happened.

What this really means is that social partnership works as long as the partners wish it to. The fundamentally informal nature of the entire elaborate structure is further emphasized by the fact that, as often as not, the tenor of what happens in the Joint Commission is settled in restricted meetings between the top men of the organizations involved, and in particular between Dr. Rudolf Sallinger, a small industrialist who is President of the Chamber of Business, and Herr Anton Benya, President of the OeGB. It is no mere accident that both are of a *petit bourgeois* background (the Austrian working classes having long acquired *petit bourgeois* colouring). That fact symbolizes the end, at least for the time being, of class conflict in Austria.

#### Challenge to state

Critics of the whole system (if something so pragmatic may be dignified with the name of system) argue that it has created a *de facto* authority challenging the authority of the state. There is some truth in that; as long as Herr Benya and Herr Sallinger agree, there are few men in Austria who wield greater power. But the critics overlook the fact that, in a relatively

*Slender powers  
of enforcement  
never used*

small and compact country like Austria, where everybody knows everybody else and where a genuine community of interests has arisen in order to preserve national identity and affluence, one must expect an overlapping of functions and personalities. The fact that Herr Benya is Speaker of the Parliament makes the point.

A second line of attack against the practice of partnership in Austria consists of arguing that it has not really done what was expected of it. It is, indeed, true that the consumer price index has been rising by between 4 per cent and 10 per cent annually during this decade, and that unit labour costs recently have risen by some 10 per cent. Given imports of Sch. 102 bn in a GNP of Sch. 546 bn (both figures 1973), the rising prices need surprise nobody in an inflationary world.

But the fact that the inflation rate bids fair to fall back to about 7 per cent this year and that the unemployment rate is no more than about 3 per cent does put Austria among the best performers, at least so far, in the OECD. It is true that social rather than economic considerations have kept down unemployment: but the relatively low inflation rate would tend to prove that employers have not carried to extremes their reluctance to fire men.

The conclusion, therefore, is justified that good management has played a major role in the economic success of the Austrians, in addition to good luck. One ele-

ment of the good fortune has been the traditional cyclical pattern by which the Austrian economy follows the German one up and down, with a delay of some nine months. It is, therefore, quite possible that 1976 will be a year of problems. But, if the Germans really come out of recession in 1976, Austrians should be reasonably sure that the problems will remain relatively mild.

In that case, one should also be able to assume that social partnership will survive in a world with an altered economic climate. Quite plainly, that is the wish of the majority of Austrians; in the election campaign that resulted in the return of the Kreisky Government on October 5 last, with its absolute majority intact, both leading parties subscribed to the continuation of partnership.

The electorate is likely to continue to insist upon their so doing, even though some employers believe that the partnership has become lopsided. They argue that the Socialist Government has been wittingly away their influence by reforms such as the introduction of workers' representatives on the supervisory boards of business corporations. There may be some truth in that but, to anyone accustomed to the confrontation tactics of labour-management relations in so much of the English-speaking world, the extension of workers' participation might seem to be a confirmation of partnership, not an impairment of it.

*Social  
considerations  
keep down  
unemployment*

## *Towards a new foreign policy*

# Strategy for interdependence: a common market with the U.S.

By André Dirlik and Tom Sawyer

From the viewpoint of our external relations, the year 1975 was marked by a renewal of contacts with the European Community. Our contribution to NATO in the meantime has been such as to cause the Europeans, as well as the Americans, to point out that our participation could be increased. As for the Third World, we have committed ourselves, both at the International Monetary Fund meeting and at the opening of the session of the United

Nations General Assembly in September to directing more aid to the development of underprivileged countries (0.7 per cent of our gross national product). Finally, the NORAD treaty linking us with the United States in the defence of North America has been renewed for a five-year period. Canada's external relations, in short, have continued in the direction proposed in the 1967 White Paper. One of the principles stated then was that our foreign poli-



ould be related to our domestic situation. In 1976, this no longer seems true. NATO, CIDA and NORAD as they now operate are not succeeding in putting an end to the Canadian crisis which results from the very structure of our economy.

One after the other, the Gordon, Watkins and Gray reports emphasized that Canada's problems had resulted from foreign control of our means of production. Today, 55 per cent of the primary-resources sector is owned by Americans. Most of these raw materials are converted into finished products outside Canada. More than 64 per cent of our secondary sector is foreign-owned, with 87 per cent of this proportion owned by American interests. Canada's economic and social malaise is currently expressed in a chronic balance-of-payments deficit and in the inability of our governments to create the 350,000 new jobs that the growth of our labour force requires each year. We have attempted to remedy these problems by gaining control of our own economy. In 1971, American protectionism resulted in the imposition of a 10 percent surtax on all the United States' trading partners, including Canada, and this encouraged us to strive for greater control of our own economy. In 1973 the energy crisis imposed on Canada a new conception of North American resource intercontinentalism. Once again, the Canadian reaction was to seek domestic sovereignty through means of agreements within NATO, CIDA and NORAD. This tendency towards diversification in external relations is a clear expression of the intentions of our leaders.

### **Domestic structure**

However, the diversification of our commercial and financial markets does nothing to alleviate Canada's real problems. These do not arise from the foreign ownership of our means of production but from the structure of our economy. The majority of investments in Canada are directed to the resource sector, which is capital-intensive. On the other hand, the manufacturing sector, which requires the use of much more manpower, is the least developed in the country. The main reason for this is that a great many of our natural resources are processed outside Canada, and consequently we are forced to import the manufactured goods we need. Our balance of payments illustrates this situation very well. The deficit in the current account is becoming chronic and must be constantly offset by an inflow of foreign capital, which invariably goes to the resource sector, thereby perpetuating the unhealthy development of our economy.

Our foreign policy, far from having come to grips with these problems, is still trying to solve them by multiplying our contacts outside North America. With respect to Europe, our membership in NATO is concerned not so much with contributing to the defence of the free world as with seeking European markets and capital in order to diminish our reliance on the United States. The economic "spin-off" effects that Canada may derive from membership in NATO are, for all practical purpose, non-existent. Europe trades with Canada because it is to Europe's advantage to do so. The members of the Warsaw Pact also trade with Canada for the same reason.

Another way of attempting to lessen our dependence on the United States has been to multiply our relations with non-Western countries, and CIDA is the instrument of this policy. The Agency does not, in fact, give much assistance to the countries of the Third World, since it offers them a development model that does not take account sufficiently of their economic conditions. As far as we are concerned, CIDA is continuing to devote a great deal of money to undertakings that have outlived their effectiveness. This is not to say that Canada should stop giving aid to the Third World; however, we should first concentrate on our own domestic development and then, through the medium of the international organizations, help to reduce the gap that now exists between the rich and the developing nations.

Neither NATO nor CIDA is bringing about changes in our economic structure. Nor does the renewal of the NORAD treaty help to resolve our structural problems. We are satisfied to have Canada pay only one-tenth of the total costs of the air defence of North America. These costs do not always take into account the economic "spin-off" effects, which are manifest in the United States but not in Canada. The Canadian negotiators agreed to renew this treaty primarily in order to avoid alien-

*Domestic development should have precedence over foreign aid*

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ating the United States and secondly because they thought it involved very little of economic and political interest.

### Interdependence

Interdependence implies that the United States needs Canada as much as Canada needs the U.S. This notion is the opposite of the continentalism advocated by the Americans, in that it does not imply a pooling of resources. Continentalism does nothing to help change the structure of our economy; instead, it guarantees the growth of the United States. Interdependence implies a search for a common market with our natural partner. In order to achieve this, we must renegotiate our trade agreements with the United States from a position of strength.

In 1965, when the Auto Pact was negotiated, Canada and the United States were experimenting with interdependence in one sector. At the time, we had considered the possibility of nationalizing the auto industry in order to put an end to the trade deficit and to ensure the development of this industry in our country. On their side, the Americans were pursuing the goal of rationalizing the production and distribution of automobiles in North America in order to resist foreign competition more successfully. The most original element of the Auto Pact was the principle of a minimum level of Canadian content in each car sold in Canada. The results of this new form of agreement were increased production and employment in the country's automobile sector and, in addition, the transformation of the trade deficit into a \$197-million surplus.

In its present form, NORAD does not constitute an exercise in interdependence, even though it concerns the mutual defence of the two nations. NORAD could have adopted the principle of minimum Canadian content not only in the equipment used in Canada and the United States for the defence of the northern hemisphere but also in all technological research and development related to defence. In addition, Canada's contribution to the defence of North America should have been valued at more than 50 per cent, taking its strategic position with regard to the Soviet Union into account. The principle of minimum Canadian content would thus have been measured not in terms of spending or population but in terms of true value.

In 1971, the benefits of the Auto Pact were cancelled by unilateral American protectionism. Canada had little or no means of countering the ill effects of this action. In 1973, during the Arab oil embargo,

Canadians had an opportunity to renegotiate their trade agreements with the United States. This opportunity was missed because our government leaders, industrial leaders and academics were not alert to international circumstances. Today, we are satisfied that the NORAD treaty has been renegotiated on the same terms as in the past. We continue to strive for independence from the United States by limiting our other relations with the United States to a strict minimum.

What Canada needs to do now is to consider its external relations in terms of its internal problems. These are concerned with changing the structure of the economy and taking up the slack in the labour force, as well as reducing regional disparities that result from the fact that the central part of the country monopolizes industrial development to the detriment of the provinces on either side. The future of the country will probably depend on the success of our governments in forcing the United States (which buys 65 per cent of our exports and provides us with the capital and technology we need) to assist the development of new industrial centres around our natural resources.

### Different goals

In order to achieve interdependence with the United States, Canada must learn to know its partner. It is clear that the goals of the two nations are different. Moreover, it is in the best interests of the U.S. to see us realize our goals, since a politically stable and economically strong Canada ensures advantages for the United States in its international negotiations. Any common market is only as strong as its weakest member. The new role of our diplomacy in the United States will therefore be to explain this point of view to the Americans. So far, they have been interpreting the existing strategy, which tries to move us away from continentalism by promoting either independence or diversification. This strategy involves diversifying financial and commercial markets and screening American investments in order to reduce our dependency on the United States. It does not take the emergence of common markets in the world into account.

Another strategy advocates total interdependence and envisages the pooling of resources in North America. Such a strategy is not in the best interests of the majority of Canadians, although some of us seem to feel that our debt towards the United States guarantees our standard of living and that our reserves of natural resources will permit us to carry such a debt for a long time. The alternative to eit

*Auto Pact  
emerged from  
interdependence  
experiment*



dependence or dependence is more realistic, since it can promote our national objectives and yet be in the best interests of North America as a whole. The current situation is not an example of an interdependent relation. It could, however, become one if Canada learns to play with the United States, against the United States and without the United States, depending on national and international circumstances.

There are people in the United States who support our objectives of preserving the environment and also of shifting the Canadian industrial centre from the Great Lakes region towards the West. The anti-illusion groups, for example, or the economically-less-favoured states could become our allies within the United States in opposing any policy emanating from Washington that is designed to preserve the status quo. The role of our missions in the United States should, therefore, be to seek out these allies, not only in New York and the heart of the American financial world but also among senators, businessmen, industrialists and academics in states such as Oregon, for example.

Our wealth consists in the quality, the diversity and the quantity of our natural resources. International circumstances suggest that these resources will be increasingly coveted by the industrial centres of the world. If we want to be prepared for any eventuality, we must seek situations in which we can renegotiate

our relations with the United States, starting from a position of strength within a North American alliance.

Ownership of natural resources is a provincial matter in Canada. When they are being developed industrially, therefore, this historic and constitutional constraint must be taken into account. Our national goals cannot be achieved unless Ottawa allows the provinces to exercise their rights to participate in the development of the economy. This participation will come about through the industrial development of new centres located closer to the resources. In the process, the economic repercussions of any new development will also benefit some of the less-developed regions of the United States. The East-West relation in Canada will necessarily become tied to a North-South relation.

At the moment, Canadian nationalism is a strategic element in our relations with the United States. Interdependence will oblige us to adopt a more tactical form of nationalism. If Canadians are to operate effectively, the mentality of our intellectual, industrial and bureaucratic elites must change fundamentally. The attention we give to the United States must also be increased, with a common market in mind. In terms of our interprovincial relations as well, our view of strictly regional interests must give way to a cartelization of our natural resources in order to make our negotiating position stronger than ever before.

*Nationalism  
a strategic  
element  
in relations*

book review

## Aura of predestination pervades discussion of League's failure

John English

The history of the League of Nations is a drama enacted on the world's stage whose principal author, the United States, refused to act, whose most energetic player, France, least understood its aims, and whose doors closed before the end of the first act. For Canadians, the League nevertheless evokes strong memories because it is that institution that gave Canada its first opportunity to act upon the international stage. Unfortunately, the quality of

that first performance was inferior, for the diplomatic *ingénue*, at various times, forgot her lines, embarrassed her fellow players, and acted as if she wished she had never been called to the stage at all.

In this new study of Canada and the League of Nations, Richard Veatch, a

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political scientist at the University of Winnipeg, agrees with many earlier writers on the subject that Canadian foreign policy in its relation to the League of Nations was a failure; but he goes further. It was a failure, Professor Veatch maintains, because Canadian policy was "primarily either neutral or harmful in its effects on the League's development and exercise of a capacity to prevent wars". In other words, Canada's policy was a success to the extent that it enabled the League to fulfil *its* policy goals, not to the extent that it enabled Canada to fulfil its own specific goals at the League and elsewhere, in the 1920s and 1930s. Applying this standard, Veatch argues that "even if Canada's policy goals had been successfully achieved, the resulting situation [war in 1939] was thoroughly unsatisfying" — hence his harsh judgment. Veatch's standard is unusual, particularly, I should think, to modern policymakers, but nonetheless legitimate if one accepts the logic of and the arguments for collective security. Professor Veatch obviously does; the problem is that few Canadians did. Veatch mentions this; Mackenzie King had to live with it.

Like so many studies of the inter-war years, *Canada and the League of Nations* possesses a certain aura of predestination, a sense that Hitler and Mussolini were inevitable. Thus, Canada's rather successful campaign to dismantle Article 10, the article of the Covenant that provided for a universal guarantee against aggression, is measured against the circumstances of the 1930s and not against those of the immediate postwar years, when the representatives of the Borden, Meighen and King Governments made their arguments. Let us consider those circumstances. Canada, at Britain's behest, had been recently involved in a foolish and futile intervention in Russia. The revolutionary spirit had flared up elsewhere, creating, in the Princeton historian Arno Mayer's judgment, a "new diplomacy", reactionary in ideology and interventionist in character. The former enemy, Germany, devastated by plundering, presented no threat. The former ally, France, lusting for spoils and revenge, did. It is in this context, a context Professor Veatch does not give, that Canada's early opposition to Article 10 becomes explicable and, some would say, justifiable.

#### Analysis weakened

This same absence of context considerably weakens Veatch's analysis of Mackenzie King's attitude towards the League in particular and foreign affairs in general. We are told that "King's attitude toward the

League of Nations was, to say the least, equivocal". As evidence, Veatch contrasts a 1919 King statement that he was "heart and soul" for the League with his "quite different" attitude in practice. But was it really so different? The League had two major intentions. First, it was to be a forum that, in Wilson's words, would "keep this world fit to live in [by] exposing in public every crooked thing that is going on". The last war had been accidental, and that had occurred, Sir Edward Grey noted in 1919, "largely by default, because the forces of negotiation and peaceful settlement collapsed". The League would insure that there would be no similar collapse of these forces in the future. Secondly, when talk failed, the League would use coercive economic or military, to compel the aggressor state to desist. The first intention King accepted "heart and soul"; the second he adamantly rejected. He did so not merely because he feared involvement in a far-war but also because the United States refused to join the League, giving rise to profound fears that the Americans might frustrate, and even oppose, the operation of sanctions. Imagine a situation where Canada supported economic or military sanctions that the Americans fundamentally opposed. Mackenzie King could not do this; neither could most Canadians at the time.

Even Lester Pearson, whose instincts led so naturally towards support for the League, abandoned collective security at the League after 1935 — first in favour of isolationism, later in support of British initiatives and the general use of national policy and diplomacy to prevent war. In those perilous times, collective security rather than guaranteeing peace, seemed many a possible cause for general war. Nor is it correct to claim, as Veatch does, that after 1935, "King had simply opted out of any attempt to avert war, or to influence the course of international events". In his recent work, Corelli Barnett has argued that King's influence on British policy was decisive, albeit negative in result. Moreover, Norman Hillmer, in his excellent thesis on Anglo-Canadian relations, which draws extensively on the King diary, source Veatch seems not to have consulted, makes a strong case that King tried energetically to influence international events to maintain peace. King may have exercised this influence badly and without much grace, but that is very different from stating that he made no attempt at all.

This study, therefore, falls short of fulfilling the publisher's hope that it "serve as the standard work on the truth of Canada's first steps on the formal international stage". *Canada and the League*

Standard  
legitimate  
if logic  
accepted



tions would be more accurately entitled *Canada at the League of Nations*, for the focus upon Geneva is clear but the focus on Canada is blurred and narrow. To our knowledge of what Canada did at the League it adds considerably. Indeed, there are some fine individual chapters, notably those on the "Six Nations" appeal to the League, Dandurand's actions on the protection of minorities, and Riddell's oil concessions proposal. To our knowledge of what happened in Canada, however, it adds little, and, in fact, is outdated as well as incomplete. I have mentioned already the apparent failure to consult the King and the King's Privy Council. Even more surprising perhaps is the neglect of the Pearson papers and the *Rowell Report* (not cited in the bibliography). And, despite frequent mention of Rowell and Christie, Veatch has used neither their papers deposited at the Public Archives nor Margaret Prang's biography of Rowell nor Robert Bothwell's thesis on Christie. There is no indication of interviewing, though discussions with individuals such as Paul Martin or Hugh Keenleyside might have been very helpful. A longer list would

be pointless, but one certainly could be made.

### Kantian belief

Donald Page's important work on the League and Canadian public opinion is cited, yet Page's findings and insights do not appear to inform Veatch's account, which generally ignores domestic public opinion. This is most unfortunate, because the original conception of the League rested principally upon a Kantian belief in the wisdom and morality of public opinion in democratic states. The League, its founders believed, would be "the conscience of the world", a court of public opinion. As Inis Claude has written: "Wilson had fought his war to make the world safe for democracy; he created the League to make the world safe by democracy." The vision was noble but unrealized, for the League captured the imaginations of a few but not the hearts of the many. This was the ultimate failure of the League and, alas, it was partly ours.

*Wisdom  
and morality  
of public opinion*

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- No. 5 (January 14, 1976) Canada-U.S.A. talks on commercial deletion policy, January 13, 1976 — joint communique.
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# MacEachen finds his policy acceptable in Middle East

Stephen Scott

External Affairs Minister Allan MacEachen's visit to the area in January was of overriding importance in the context of the general Middle East situation. It hardly could be, coming as it did at a time when Arab and Israeli thoughts were turned in many directions — to war-torn Lebanon, to the Security Council Middle East debate, even to events in the Spanish Sahara. The Minister took no brilliant success for peace in the Middle East with visits to Egypt, Saudi Arabia, Jordan, Iraq and Israel. He had no special messages from the United States Secretary of State Henry Kissinger for leaders in the area, and he brought no messages away with him when he left after ten sometimes exhausting days.

But, having said that, it must be admitted that the Minister's first trip to the region since assuming his portfolio in 1974 was, in a way, the first such tour by any Canadian external affairs minister, was important both to Canada, and, if the remarks of their leaders are any indication, to the countries he visited. And, as all who appeared well-satisfied with the talks that were held, the total visit must be considered a success.

## Warmer relations

While it is difficult to foresee the ramifications of what Egyptian President Anwar Sadat called a "new era" in Canadian-Egyptian — and, by extension, Canadian-Arab — relations, it is certain that those relations are warmer today as a result of the Minister's tour than at any time in recent years. If there was any residue of anger from the controversy in Canada over the admission of representatives of the Palestine Liberation Organization (PLO), it is dispelled. If nothing else, this warmer relation can only be of advantage to Canadian businessmen who are willing to work hard to cash in on the opportunities that are evident not only in the oil-rich states but in the poorer ones as well.

More important, probably, for Mr. MacEachen is the knowledge that he has returned home knowing that he need not

make major changes in his Middle East policies in order to pursue closer relations with the Arabs. He need make no early move to recognize the PLO, an action that would have explosive consequences at home, although the Arab League's Mahmoud Riad said, in a retrospective look at the tour, that such recognition was inevitable. Foreign Minister Yigal Allon's almost fulsome assurances of friendship while the Minister was in Jerusalem showed Mr. MacEachen that he need have no fears, while he was wooing the Arabs, for the traditionally-close relations with Israel.

The fact that the visit has given the most important Arabs in the Middle East an understanding of his policies must be comforting as Mr. MacEachen contemplates Canada taking its turn as a non-permanent Western member of the Security Council. It has been almost ten years since Canada's George Ignatieff sat in that seat with some distinction, and Mr. MacEachen feels that it is time to accept the responsibility again.

The Minister went to the Middle East to learn if he could involve Canada in its affairs and improve bilateral relations without having to pay the price of major policy changes. He also wanted to repair any damage done by the PLO debates at home. The trip was a natural progression from the new, more even-handed, attitude he has brought to the Department since taking over from Mitchell Sharp. That attitude has seen him in periodic discussion of Middle East affairs with a committee of Arab ambassadors, which resulted in invitations to visit some of their countries. Syria, not represented, did not extend an invitation and was not visited.

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*Preparation  
for Canada's  
return to  
Security Council*

When Mr. MacEachen left Ottawa, the word from the experts was that Canada must move closer to the PLO cause. The Minister returned home somewhat surprised that the domestic PLO controversy and the resultant moving of the UN crime conference from Toronto were not weighing heavy on Arab minds and that there was no real unanimity in the Arab world itself about the PLO.

He went to Jerusalem prepared to argue the benefits of Israeli attendance at the United Nations conference on human settlements, *Habitat*, in Vancouver in June despite PLO attendance. But he was caught by surprise when the Israelis said they had already announced that they would be attending.

He heard a diversity of opinions about the Palestinian question in general, about Lebanon and possible Syrian influence there, about disengagement and the possibility of maintaining it, and returned home depressed concerning the prospects of Middle East peace. Saudi Arabia and Iraq expressed strong reservations, at least, and some pessimism over disengagement. They said there could be no peace until the Palestinians had a home.

But, if it is possible to ignore that gloomy outlook, the Minister left the region reasonably content. Both Israeli and Arab saw use for a newly-invoked Canadian role as a carrier and explainer of policies. As Mr. Riad, Secretary-General of the Arab League, said in a Cairo interview, if Mr. MacEachen would accept some Arab truths, he could seek to convince others in the West. He noted that Canada was not without influence, even in Washington. Some Israeli foreign office officials had the same idea when talking in post-visit interviews. They saw Mr. MacEachen as a man who could quietly seek to persuade African and Asian leaders at least to moderate anti-Israeli stances.

Both Arab and Israeli — particularly the former — saw the trip as important because it gave them an opportunity to put their points of view to a country that had stood aloof from most Middle East affairs for years, concentrating its efforts on peace-keeping alone. "We do not seek to make you pro-Arab," Mr. Riad said, "only to make you understand our point of view." And leaders went to great lengths to explain that view to the Canadian Minister, who glided into their busy and sometimes lavish airports aboard a modest little two-engine, propellor-driven Armed Forces aircraft, complete with a small staff and a handful of reporters.

Of course, he met all his opposite numbers — Ismail Fahmy of Egypt, Prince

Saud al Faisal of Saudi Arabia, Sa Sharee of Jordan, Sa'asoun Hammadi of Iraq and Yigal Allon of Israel. But he also met the real powers of the Middle East: Egypt's Sadat, Saudi Arabia's Crown Prince Fahd ibn Abdul Aziz, Jordan's King Hussein, Iraq's Vice-Chairman Hussein Tikriti, as well as Israel's Prime Minister Yitzhak Rabin. That his hosts attached importance to Mr. MacEachen's visit was shown by the fact that Sadat, Hussein, Saud, Hammadi and Allon accepted the suggestion of Canadian officials that they meet with reporters travelling with him.

### Not set in stone

Mr. MacEachen started his trip on just the right note by telling Foreign Minister Fahmy at the Cairo airport that Canadian Middle East policy was not set in stone and was susceptible of change. He also made a couple of token gestures, announcing a contribution of \$1 million to an international Suez fund and saying that Egypt could be eligible for some Canadian aid if only it would decide what it wanted besides a CANDU reactor (which it could not have).

He was not pressed to recognize the PLO as the sole representative of Palestinians — in fact, Mr. Fahmy made point of not pushing recognition. Later, Sadat told a news conference that Canada would help the cause of peace if it recognized the PLO, but certain officials pointed out that he could hardly say so in response to a public question. Mr. Sadat also spoke enthusiastically of the new phase in Canada-Egypt relations, and a couple of weeks later a spokesman for his office said the ice in relations between the two countries had been broken by the visit.

Egypt, like all Arab countries, looks with some envy at Canadian technology and technologists. Throughout the trip the point was sometimes quietly made to reporters that the Arabs liked the idea of being able to get American-oriented technology without necessarily being stuck with American ideology. Egypt needed technology for the complete rebuilding it had started and hoped to continue if it could be avoided. Saudi Arabia, with a \$145-billion, five-year, development plan and Iraq with a \$45-billion one, needed many kinds of expert, especially those in communications, a Canadian specialist in Jordan, with a more modest plan, made request for Canadian expertise but officials made it clear to reporters that such help could be used.

In Riyadh, Saudi Arabia, Mr. MacEachen signed a memorandum of agreement covering commercial co-operation

*Diversity  
of opinions  
on mid-East  
problems*





*Secretary of State for External Affairs Allan MacEachen took time out during his tour of the Middle East to visit Egypt's Pyramids and the Sphinx. Cairo was the appropriate setting for his statement that Canadian policy on the Middle East was not set in stone.*

under which Canadian businessmen with the desired expertise could benefit from the five-year plan. Iraq said it was willing to sign a similar document. The business opportunities that these agreements open to persistent and patient Canadians were startling even to the officials who described them. But the Arabs made it clear that they were looking to the long term and that there was no room for businessmen who wanted to "make a quick buck and get out".

Saudi officials put on an information blitz for Canadian officials and reporters to make sure that all aspects of their development plan were known. There was

only one condition — no supporter of Zionism could do business in Saudi Arabia. Canadian recognition of the PLO was not a condition of doing business, though Prince Saud was the only foreign minister on the entire itinerary who asked Mr. MacEachen to take that step. In a rare meeting with reporters, he said that the PLO was the choice of the Palestine people, a view directly opposite to that of Canada. He said that if Israel wanted peace, it must recognize the Palestinians.

Two days later Mr. MacEachen was hearing a different view from King Hussein, who, when asked if Canada should recognize the PLO, told reporters that it

was none of his business what Canada did. It was apparent that the King still accepted with extreme reluctance the decision of the Arab "summit" at Rabat to name the PLO the sole representative of the Arab people, and that he still had hopes of controlling the West Bank most of the Arab world had surrendered to the PLO. King Hussein had great praise for Canadians as first among peacemakers, who had made sacrifices for the cause of peace over the years in the Middle East.

In Baghdad, the Canadian Minister listened in fascination while Mr. Hammadi said Israel was not ready for peace and wanted to be a nuclear-equipped superpower. It was his first exposure to the Arab hard line, and he was spellbound as Mr. Hammadi talked of how Israel desired dominance from the Nile to the Euphrates.

Mr. MacEachen saw the fires of burning Beirut as he flew a roundabout route to Israel, where Messrs Rabin and Allon sought to learn if he had heard anything new in the Arab world. They also sought to reply to what he had heard.

Mr. MacEachen heard strong praise from Foreign Minister Allon, and spoke with some emotion about his visit to Israel, where he had viewed the Golan Heights that Israel seemed intent on keeping and made a private visit to the holy places.

Mr. MacEachen did more, of course, than listen during the ten days. He carefully explained the Canadian policy to those who did not know it. Canada could not recognize the PLO because it was up

to the Palestinian people to choose their own representatives, he said. The interests of the Palestinians must be recognized as part of any peace settlement. Canada was a supporter of Kissinger's step-by-step peace policy, but there seemed to be no alternative to going to Geneva for talks. Canada strongly disapproved of the United Nations General Assembly resolution equating Zionism with racism.

### Occasionally outspoken

He was at times outspoken, talking about protecting the interests of Palestinians while in Israel and criticizing the General Assembly resolution while in Jordan.

He created a stunned silence, followed by giggles, in Baghdad when he told reporters that his next stop was Jerusalem. "Why are you laughing?" he asked. "It is not easy to fly to Israel from here," remarked a reporter. "We'll fly a zig-zag course," the minister replied. He did, and it took twice as long as it should have.

Mr. MacEachen and his officials must take some time to digest what they learned on the trip. Riad, in his interview, indicated that Arabs were prepared to wait. After years of ignoring the Palestinian question, the West has started to recognize it, he said. Canada, like the United States, now talked of the "interests" of the Palestinian people. The time would come when they talked of the "rights" of those people to a homeland. The only question was whether a new war would come before that recognition.

*Arab hard line  
left MacEachen  
spellbound*

## Foreign travels

# Trudeau in Latin America set stage for closer relations

by George Radwanski

Any assessment of Prime Minister Trudeau's recent visit to Latin America must be made with the peculiar nature of such travels by heads of government in mind. Superficially, they all tend to look the same — the military bands at airports, the effusive speeches at banquets, the long hours of private talks that produce few

immediately palpable results. But beneath the surface there are profound differences which can make one visit a failure and another a resounding success.

The difficulty is that the most important benefits of such travels are intangible, at least in the short term. Dramatic breakthroughs are seldom sought or



ined: even on those rare occasions — usually involving the super-powers — when “summitry” appears to produce a concrete accord, most of the real bargaining has already been completed at lower levels long before the leaders meet to consummate the agreement. More often, the trip is meant to open new channels of communication, add an extra fillip to relations between two countries and, it is hoped, create an impetus towards co-operation that works down from the leaders to the bureaucrats.

Some of the most important benefits of such tours are reaped long before the Prime Minister actually sets foot on foreign soil; the very fact that he is coming obliges the leaders of the countries he visits to familiarize themselves with Canada and to seek briefing on bilateral matters that would otherwise be unlikely to reach their level. The actual visit continues this educational process, enabling leaders to explore one another's views and to make personal assessments of their counterparts. At the same time, the broader purpose of “showing the flag” is also fulfilled; the publicity surrounding the visit gives the general public in the host country a sort of “crash course” on Canada and its affairs.

Against this background, the differences between the success and failure of any particular visit are likely to be subtle. They turn on such factors as the personal “vibrations” between the two leaders, the opportunity to state views persuasively and the degree of success in laying the groundwork for progress at lower levels. By those standards, Mr. Trudeau's visit to Mexico was at best a partial success; his Cuban visit was a triumph, and his visit to Venezuela comes somewhere in between — a visit too uncertain in character to permit any clear conclusions.

His visit to those three countries — the first major trip to Latin America by a Canadian Prime Minister — was intended to mark the end of a long history of indifference during which Canada traded with Latin America but had few other contacts with the region. Canada did not, for instance, establish diplomatic relations with Venezuela until 1950, did not acquire permanent observer status in the Organization of American States until 1972, and did not become a full member of the Inter-American Development Bank until the same year.

Canada's new-found interest in the area dates back to 1968, when the Federal Government launched a major review of foreign policy. A succession of ministers travelled to Latin America as part of the

review process, and the resulting policy document concluded: “Closer relations with Latin American countries on a basis of mutual respect and reciprocal advantage would enhance Canadian sovereignty and independence. Greater exposure to Latin American culture would enrich Canadian life. Increased trade with Latin American and judicious Canadian investment there would augment Canada's capacity to ‘pay its way’ in the world. Similarly, a closer dialogue with some of these countries about world problems could enhance Canada's capacity to play an independent role in international affairs.”

The timing of Mr. Trudeau's visit coincided fortuitously with a new sense of international importance among the developing Latin American countries and with a feeling on their part that they were being ignored or taken too much for granted by the United States. The attention of another developed country like Canada appeared so welcome that Mr. Trudeau was paid the added tribute in each country of being treated as a head of state, rather than as a mere head of government.

### Half Canada's exports

In visiting Mexico, Cuba and Venezuela, Mr. Trudeau chose three countries that together purchased about half Canada's \$1.2-billion worth of exports to Latin America in 1975 and supplied 80 per cent of its \$1.8 billion in imports from the area. Each of the three, moreover, wields particular influence in Latin America and among other developing countries.

Venezuela heads the economic list, with imports from Canada last year of \$291 million and exports to Canada of \$1.1 billion (mostly in the form of oil). Number Three among Canada's Latin

*Fortuitous coincidence in timing of Trudeau visit to Latin America*

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American trading partners is Mexico, with imports of \$218 million and exports of \$95.8 million. Cuba is fourth, with imports of \$217.9 million and exports of \$85.5 million. The country left out of the tour was second-place Brazil, with imports from Canada last year of \$192.5 million and exports of \$166 million.

Of the three stops on the Prime Minister's tour, Mexico was the least successful. Mr. Trudeau's presence fulfilled the limited objective of showing the flag, but the formal talks with President Luis Echeverria left the Canadian delegation irritated and frustrated. Mr. Echeverria seemed more interested in talking than listening, and he and his officials took up much of the limited discussion time with long-winded lectures on Mexican positions.

The formal talks occupied a total of five hours spread over two sessions, and Mr. Trudeau frequently had difficulty getting a word in edgewise. The nuclear-non-proliferation issue, for instance, brought a 45-minute dissertation from the Mexican Foreign Minister on his country's views and leadership in this field. Similarly, when Mr. Trudeau made the mistake of asking how the Mexicans planned to finance some of the projects they were describing, the result was a 25-minute speech by the Minister of Finance.

The Prime Minister did find the time to put forward some of his own views, but selling those views was another matter. Canadian officials felt he had too little opportunity to put his points across forcefully or in sufficient detail. Beyond a vague cultural-exchange pact, the talks produced no clear agreement on either trade matters or major multilateral issues.

In the area of trade, Mr. Trudeau pressed Canada's interest in selling Mexico Dash-7 aircraft, CANDU reactors, and railway equipment, as well as expanding trade in various other areas. The Mexicans were noncommittal, confining their answers to saying that such matters were under active consideration. In turn, they put emphasis on the need to reduce the trade deficit with Canada, their eagerness to move away from the "triangular trade" situation of having some 25 per cent of their exports to Canada pass through middlemen in the U.S., and their desire to have their national airline get a larger share of the passenger traffic it divided with CP Air.

### Multilateral relations

As far as multilateral matters like the new world economic order, the law of the sea and nuclear non-proliferation were con-

cerned, the Prime Minister found that Canada and Mexico shared broad objectives but differed substantially on tactics. President Echeverria is much more given to dramatic gestures, and Canadian officials were startled by the degree of virulent anti-Americanism that underlay Mexican positions. "My God," said one participant in the talks, "they're still harking back to the Alamo and Manifest Destiny."

In Mexico, as in the other two countries visited, the talks on multilateral matters produced no new meeting of minds. But the exchanges were at least an opportunity for Mr. Trudeau to explain some Canadian positions and to emphasize that Canada was pursuing foreign policies distinct from those of the U.S.

The effectiveness of the Mexican tour was further reduced by the fact that the Prime Minister was dealing with a "land duck" President; Mr. Echeverria's term expires in December, and he cannot succeed himself. Mr. Trudeau did meet for some 50 minutes with the designated heir, José Lopez Portillo, but that brief encounter was at best just enough to set the stage for talks after the new President came to power.

### Success and controversy

Of Mr. Trudeau's three stops, the visit to Cuba was both the most successful and the most controversial. The Prime Minister had two principal objectives. He wanted to ensure that, if and when Cuba's relations with the U.S. thawed, Canada would not lose the commercial advantages it had by having "come in on the ground-floor" during the years when other countries in the Western Hemisphere were boycotting the island. And he wanted to cement further relations with the Castro regime both because of its leadership role among developing countries and because of the desirability of keeping it from falling completely within the Soviet orbit.

Both those objectives were apparently achieved — in private, during more than six hours of talks with the Cuban leader and in public, by virtue of the hero's welcome Mr. Trudeau received from star-managed crowds and Premier Castro's words at a huge public rally in the port and industrial centre of Cienfuegos.

During his 50-minute speech to a vast crowd outside a sugar factory in Cienfuegos, the Cuban Premier recalled that Canada had been one of only two Western Hemisphere countries (the other was Mexico) to resist U.S. pressure to sever relations in 1959. He outlined how the Cuban economy had benefited from Canadian aid and trade since then, and praised

*Stop in Mexico  
least successful  
of Trudeau visit*

*Prime Minister  
pressed sale  
of aircraft  
and reactors*





UPI Photo

*Cuban Prime Minister Fidel Castro's laughter reflects the warmth of the reception given to Prime Minister Trudeau during his January visit to Cuba. This photo was taken during Mr. Trudeau's speech to the mass rally of 25,000 Cubans at Cienfuegos. At the conclusion of the speech, the Prime Minister shouted the customary "Vivas" at Cuban rallies, thus touching off controversy at home in Canada.*

Canada's attitude as an example to other countries of good relations between developed and developing countries. "Today," he said, "the difficult years are behind us, we are less and less isolated, but we shall never forget those who behaved correctly towards us in those difficult years."

In private talks with Mr. Castro, the Prime Minister pressed for further expansion of the trade that had seen Canada's exports soar from \$81.9 million in 1973 to \$217.9 million last year. He particularly emphasized Canadian interest in such projects as the reconstruction of Havana harbour, restoration or replacement of Cuba's dilapidated hotels, and provision of railway equipment. The Premier expressed particular interest in the possibility of joint-venture projects, particularly in the nickel-production field. But he also expressed concern about the size of Cuba's trade deficit, and urged Canada to buy more sugar; he was told, in effect, that Canadians were already buying as much as they needed.

#### Less forthcoming

Although international affairs occupied a large part of the discussions between the two leaders, Canadian officials were far less forthcoming on the substance of those talks.

If Mr. Trudeau's visit was bitterly controversial, it was largely because it took

place in the shadow of the Angola war. It was during the visit, in fact, that the Cuban official newspaper carried the first public admission that large numbers of Cuban troops were fighting in Angola.

Mr. Trudeau did argue against the Cuban intervention at some length during his private talks, but neither the tone of that discussion nor the vigour with which he stated his objections is known; the further the Prime Minister got from Cuba, the more forceful he and his aides claimed the presentation had been.

Some of the controversy resulting from the visit was silly. Although Mr. Trudeau's cries of "Viva" at the Cienfuegos rally produced some outrage in Canada, the closing phrases of his speech were simply a variation on the custom of toasting the health of the host and his country during a state visit; in Cuba, it just happens that the setting for speech-making is a rally rather than a banquet, and the accepted formula is a succession of "Vivas."

But another element of the controversy — the argument over whether Mr. Trudeau should have gone to Cuba at all while its forces were in Angola, or whether he should have publicly denounced the intervention — is more serious. There is no question that the Prime Minister's visit at that time was a prestige triumph for Mr. Castro.

*Tone and vigour of objections unknown*

But the trip had been scheduled long before the developments in Angola, and cancellation or postponement would have been a diplomatic slap in the face that would have worsened Canadian-Cuban relations for years to come. A public denunciation by Mr. Trudeau in Cuba would have made the rest of the visit worse than useless. Either course might have been morally satisfying, but would have accomplished little.

Past experience with countries like Cuba, Communist China, South Africa and Rhodesia has shown that treating nations as international outlaws neither topples their governments nor modifies their behaviour. Mr. Trudeau's presence in Cuba at least enabled him to state an opposing point of view and to keep the channels of communication open for attempted persuasion on future issues. It would be naive to expect too much from this, but, as one senior Canadian official put it: "Let's face it, most of the leaders who have been willing to talk to Castro have been the wild-eyed crazies, and that's bound to affect one's perception."

### Defensible visit

Although the visit is quite defensible, Mr. Trudeau did bring unnecessary trouble on himself by being unreservedly flattering in his public assessment of the Cuban leader. The two men appeared to find a remarkable *rapport*, and the Prime Minister was undoubtedly frank in telling reporters he found Mr. Castro "a man of great integrity . . . within his own ideological framework, a man of world stature . . . a man with a great deal of pride . . . (who) has a great feeling for international affairs, a man who has assessed very well the qualities and weaknesses of various leaders".

He would have been wiser to say less. Such unqualified praise struck a sour note not only with many Canadians but — more important, in view of Mr. Trudeau's objectives — with Latin American governments, which remain deeply worried about Mr. Castro's international activities and ambitions.

In Venezuela, Mr. Trudeau's talks with President Perez appeared promising but inconclusive. President Perez pleased the Canadians by agreeing readily that something must be done about Canada's oil-induced deficit of nearly \$1 billion a year, the largest it has with any single country. In reality, however, there is no way Canada can even come close to balancing a trade relation involving so much oil. The closest Canada could come would be to win the contract for Vene-

zuela's railway construction, which may ultimately be worth \$1 billion; the visit improved Canadian prospects, but by no means guaranteed success.

### Expand structure

The two leaders did agree that it was desirable to expand the structure of Canadian-Venezuelan trade relations from a *modus vivendi* to the establishment of an economic commission at ministerial level that would explore new areas of operation in the industrial, commercial and technological fields. The joint communiqué, however, stopped short of confirming that agreement; instead of a specific joint commission, it mentioned only "early discussions towards the adoption of an agreement or agreements on economic operation".

Perhaps more important, however, was the fact that the visit gained Canada a special sponsorship for deeper involvement in Latin American affairs. President Perez is eager for Canada to establish contact of some sort with the new Latin American Economic System (SELA), which is variously compared to the OEEC and to a European Economic Community without the objective of political integration. The organization's present structure would not permit Canada to join, even to establish a "contractual link". Mr. Perez may be thinking, however, either of observer status for Canada or of having Venezuela temporarily act as Canada's eyes and ears in SELA.

A brief visit to three countries will not by itself create what Mr. Trudeau calls "the Latin American connection". But, if the Government is serious about launching an era of closer relations, the leadership-level meetings were a good place to start. Below that level, many of the Latin American technocrats — the people who decide in practice what trade deals to favour and which country's technology to pursue — did their advanced studies in the U.S., Britain, France and West Germany; they neither know nor care much about Canada. If more attention is to be paid to Canada's concerns and proposals, consequently, the word will have to filter down from the top.

What Mr. Trudeau accomplished, however, can only set the stage for closer relations in the future. A government leader's visit is a dramatic way of signalling interest, but the goodwill it creates is quite ephemeral. Everything now depends on the follow-up, the degree of diligence and vigour with which bilateral relations are pursued at lower levels.

*Treating nations as outlaws does not modify behaviour*

*Saying less would have been wiser course*



# Opportunity answers the door when trade mission knocks

*Jamieson in Southeast Asia*

by John Schreiner

An excited aide rushed the good news into the office of President Ferdinand Marcos in the Philippines halfway through the meeting between Marcos and Donald Jamieson, Canada's Minister of Industry, Trade and Commerce. A promising oil-drill — not commercial, as it later turned out — had been made just off one of the Philippine Islands by a drilling consortium that included a Canadian firm. Later in the morning, an elated Marcos spoke to the entire Canadian trade mission Mr. Jamieson had led to Southeast Asia, and tipped that Canada was bringing good luck to the Philippines.

A reputation as a bringer of good luck may be a new role for Canada in Southeast Asia, but certainly Canada is regarded benignly and favourably in the region, a conclusion that can be drawn readily from the red-carpet treatment given the Jamieson mission when it "blitzed" the member countries of the Association of Southeast Asian Nations (ASEAN) during the first two weeks of March.

## Two objectives

It was a mission with both diplomatic and commercial objectives. Mr. Jamieson met with 30 ministers and the government leaders of Indonesia, Malaysia, the Philippines, Singapore and Thailand. He signed several treaties eliminating double taxation between Canada and these nations. With Indonesia, he concluded an agreement to extend to that nation \$200 million in soft loans under the aegis of the Export Development Corporation. At the Asian Development Bank headquarters in Manila, he announced a major additional purchase of ADB shares and an additional contribution to the ADB's soft-loan fund, making Canada the second-largest non-regional supporter of the Bank after Japan.

He raised specific questions during his many ministerial meetings (for example, to secure more operating room in local financial affairs for Canadian banks). And specific questions were raised by the host nations, most frequently involving their desire to have better access to the Canadian market and, thus reduce the sharp imbalance of trade in Canada's favour. And, throughout the mission, Mr. Jamieson opened many doors for the 42 businessmen accompanying him. In their turn, they uncovered a broad range of trade and investment opportunities for Canadians in this populous (250 million) and resource-rich region.

While some Canadian firms — notably consulting firms and banks — have done considerable business in Southeast Asia during the past two decades, the Canadian profile has, on the whole, been a low one. The intensive Jamieson mission, which received considerable local media attention, will help give Canada a more substantial image in the region. As the Canadian Ambassador in Indonesia, Peter Johnston, put it: "The mission has created a climate in which we can do business."

*Jamieson visit  
should raise  
Canadian profile  
in Southeast Asia*

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Indeed, a good deal of business was concluded during the mission itself — some of it the completion of lengthy negotiations and some the happy result of Canadian businessmen seizing unexpected opportunities.

### Excellent timing

By good fortune, the Canadian mission was excellently timed. The leaders of the five members of the Association of Southeast Asian Nations had completed a crucial “summit” meeting the week before in the Indonesian resort of Bali. ASEAN is nine years old, a *very* embryo common market, and one that made virtually no progress until this spring. The summit meeting, however, led to the setting-up of an ASEAN secretariat and also resulted in some modestly concrete decisions a few weeks later by economic ministers of the Association on complementary industrial development among the five.

The sudden progress by ASEAN this spring was the result of the vacuum left in Southeast Asia after the collapse of South Vietnam and the American withdrawal from Indochina and Thailand. The ASEAN nations, three of which could have been called U.S. client states a year ago, now seriously doubt that they would get substantive U.S. help in resisting expansionist Communism in the region. The Thais, who value an 800-year-old tradition of independence, now find a militarily tough North Vietnam just beyond their borders giving verbal, and perhaps other, support to insurgents within Thailand. The Malaysians and the Filipinos have their own insurgent hotbeds, both separatist and pro-Communist. The fierce Indonesian anti-Communism was illustrated by that country’s recent absorption of the former Portuguese colony of Timor; so-called volunteers from Indonesia moved in to prevent the colony falling under the control of a pro-Chinese faction and thus becoming a possible source of left-wing agitation on the Indonesian southern flank.

The North Vietnamese have angrily denounced ASEAN as a new military bloc in Southeast Asia. That is precisely what it is not. It represents an effort by the five nations to develop political stability — and thus resist Communist absorption — by economic progress.

There has also been a second, and equally important, stimulus to the new life for the ASEAN idea. The Middle East oil boycott and the subsequent world recession have shaken the economies of all the ASEAN nations. Even oil-producing Indonesia (a moderate member of OPEC) found itself battered by plummeting com-

modity prices and international inflation. The experience has convinced the ASEAN nations of the merit of helping one another. For example, a senior Filipino economic minister, Vicente Paterno, reports that Indonesia has assured its ASEAN partners of oil in the event of another boycott.

### Sensitive to Japan

The American disengagement in Southeast Asia has given increased visibility to Japanese economic influence in the region. However, the ASEAN nations are at least as sensitive to Japanese economic hegemony as Canadians are to American economic influence at home. Consequently, besides looking to each other, they are seeking stronger economic ties with advanced nations that have neither colonial nor big-power connotations in the region. One of those nations, as the Jamieson mission soon learned, is Canada.

“We are seen as a people who do not have an axe to grind,” Jamieson reports. “We’re really trusted.” This climate of opinion should give Canadians a good deal at the trade and investment opportunities in the region. Not that the business will be handed to Canadians on a platter. “We are not the only ones who have discovered Southeast Asia,” Jamieson adds. “We’ve got to be a little sharper.” It is a market worth going after, one with about 200 million people. Current *per capita* incomes are low and limit the market’s buying power, but the potential is considerable.

There is already a modest but significant Canadian commercial presence in the region. One leading edge is represented by the activities of the five large chartered banks, which were represented on the trade mission by the President of the Toronto-Dominion Bank, Richard Thomson. The five are: Toronto-Dominion Bank, the Bank of Montreal, with regional headquarters in Singapore; the Royal Bank of Canada and the Canadian Imperial Bank of Commerce, with regional headquarters in Hong Kong; and the Bank of Nova Scotia, with regional headquarters in Manila.

### Banks expand

The Canadian banks have expanded aggressively in the area during the past decade. Their activities range all the way from wholesale banking to branch banking from loans for Singapore shipyards to management of loan issues by the Malaysian and Philippines Governments. Even the Royal and Nova Scotia own 30 per cent interest in Filipino banks, and Toronto-Dominion has 10 per cent of a Malaysian bank. The banks also serv-

*ASEAN expands  
to fill vacuum  
after collapse  
of South Vietnam*



conduit for directing some Asian de-  
bits into Canada. In the main, it has  
been a profitable experience; one Canadian  
banker estimates that the five probably  
operate among them annual net profits on  
their operations of about \$10 million.  
"This whole region has been a net con-  
tributor to Canada," believes T. L. Gibbs  
of the Bank of Nova Scotia.

More important, the banks are now  
in a position, both with financial help  
and commercial intelligence, to assist  
other Canadian business growth in the  
region. "The banks here have come a  
long way ahead of business," observes a Royal  
Bank executive.

Canadian consultants have established  
a significant and growing business in  
Southeast Asia. For example, two firms —  
D. Howe Co. and Montreal Engineer-  
ing Co. — incorporated subsidiaries in  
Singapore five years ago. Vancouver's Nor-  
man Springate and Associates has a 49  
percent interest in a Malaysian engineering  
consultancy. This latter case illustrates  
that what was discovered by one trade mission  
member, Michael Gillham, president of the  
Association of Consulting Engineers of  
Canada — throughout Asia, local auth-  
orities strongly prefer foreign engineering  
consultants to come in as joint-venture  
partners, thus enabling a transfer of skills  
to local consultants. Montreal Engineering  
was successful in its bid to design Singa-  
pore's major thermal-power project, in  
part because the design office was located  
in Singapore and not abroad.

The trade mission included several  
Canadian consulting firms with an estab-  
lished "track record" in Southeast Asia.  
Restal International Ltd., an affiliate of  
Vancouver's Sandwell and Co., has done  
a variety of forestry studies in Malaysia  
during the 1970s, including a study on the  
viability of a pulp-and-paper complex. The  
firm has also done, or is doing, various  
forestry studies in Thailand, the Philip-  
pines and Indonesia.

Shawinigan Engineering Co., Mont-  
real, is the project engineer on one hydro-  
electric development in Malaysia and is  
working on two other hydro-related studies  
there. In the Philippines, it is engaged with  
a U.S. firm and local firms on a study of  
hydroelectric and irrigation projects.

Canadian Pacific Consulting Services  
Ltd., one arm of the transportation giant,  
carried out a technical-assistance program  
in 1972 for Malaysian State Railways, has  
made a study of dieselization for Thai-  
land's rail system, and is currently just  
beginning a two-year program of technical  
assistance, funded by the World Bank, to  
Indonesia's state railways.

The majority of consulting contracts  
have been financed either through aid pro-  
grams or through the international banks,  
notably the World Bank and the Asian  
Development Bank. Shawinigan Engineer-  
ing president Kenneth Gray, after an  
intensive briefing at ADB headquarters in  
Manila, described that bank as the "focal  
point" of the region. ADB officials com-  
plained that too few Canadian consulting  
firms are now registered with the Bank to  
receive tender calls. More serious, perhaps,  
was the comment that not all the regis-  
tered firms, when they are short-listed,  
pursue possible contracts aggressively.  
Also at the ADB briefing, ACEC president  
Gillham — head of the Halifax consultant  
firm Whitman, Benn and Associates (1969)  
Ltd. — found there was potential business  
for Canadian firms with expertise in  
fisheries.

There are a handful of significant  
Canadian investments in resource-ex-  
traction in Southeast Asia. By far the  
largest is the \$800-million nickel mine on  
the Indonesian island of Sulawesi, which  
International Nickel Co. of Canada will  
bring into production later this year. In  
the Philippines, Placer Development Ltd.  
of Vancouver has 40 percent interest in the  
country's major copper-mine. In Malaysia,  
MacMillan Bloedel Ltd., Canada's leading  
forest-products company, has a series of  
investments in forestry, including a ply-  
wood complex.

A few Canadian manufacturers also  
have invested in Southeast Asia. An im-  
portant recent example is Electrohome  
Ltd., the Kitchener electronics firm, whose  
two-year-old plant in a suburb of Kuala  
Lumpur produces circuit boards for Cana-  
dian television sets.

A complete list of Canadian firms  
with investments or contracts in the region  
would be a good deal longer. On the other  
hand, it would appear slight against the  
much larger activities by competitors from  
the U.S., Europe and, above all, Japan.

### Late-comers

Canadians are relative late-comers to the  
region, both in the commercial and the  
diplomatic spheres. The Canadian Em-  
bassy in the Philippines, for example, is  
less than five years old. The upgrading  
of the previous consulate there may well  
have been prompted by Filipino emigra-  
tion to Canada. There are now an esti-  
mated 80,000 Filipinos in Canada. There  
were about 100 applicants queuing at the  
Embassy in Manila on the day Mr.  
Jamieson called there during the trade  
mission.

*Handful  
of significant  
Canadian  
investments*

The success of many of the mission's members in digging up business left no doubt about the potential in the region. Consultant Edward Bennett of Ottawa's Delcanda International Ltd. came away short-listed to bid on two projects of which he had not been aware before the mission.

Manitoba hog-breeder Willis Langille, general manager of Prairie Pride Enterprises Ltd. and already a successful exporter to the Philippines, landed orders in Malaysia, Singapore and Indonesia. Foremost International Industries Ltd. president John Nodwell, whose Calgary firm sold more than 40 off-highway vehicles last year to the Indonesian state oil company, identified new prospects both in Indonesia and in Thailand. Dr. R. E. Vuia, president of Combustion Engineering-Superheater Ltd., Montreal, was in Indonesia just in time to get the specifications on a thermal-power station. He will bid to supply the equipment.

Mr. Jamieson, after the trade mission's final debriefing, concluded that there was plenty of business in the region for the aggressive competitor.

There are also risks and problems. The Indonesians have a long list of requirements but, struggling with a massive international debt, are hard put to it to pay for what they need. Accordingly, much of the Canadian business being done there depends on the aid dollars and the soft credit available to Indonesia.

**Foreign investment rules**

Potential investors will find that all the ASEAN nations have well-developed rules on foreign investment. On the one hand, the ground-rules usually include generous tax and other incentives for priority industries. On the other hand, they often include restrictions a good deal stiffer than

Canada's Foreign Investment Review Act. The Indonesians, for example, will not award a forest concession to a foreigner. The outside investor must team up with indigenous partners who have these concessions. The risks inherent in that arrangement have not appealed to Canadian forest-products firms.

There are various requirements for domestic participation in the enterprise. One of the conditions Electrohome accepted in exchange for Malaysian incentives was to sell 30 percent interest in its plant to Malaysians next year. While the ground-rules are understandable, it is not always easy to find local partners with capital to put into a venture.

Foreign investors must also assess the political risks in the ASEAN group. The ultimate complexion of Thailand's Government is far from clear. Malaysia, while stable on the surface, is still struggling with racial tensions. Indonesia's economic problems contain the seeds of possible future instability. However, martial law has brought more stability to the Philippines than that nation has known for decades. The long-term viability of Singapore, easily the most highly organized and efficient location in Southeast Asia, hangs on the stability of the region it serves.

The consensus among members of the Canadian trade mission suggested that the region's potential for trade and business was immediate and worth taking risks for. Indeed, by taking a chance, Canadian business will help the region towards greater stability. The economic progress that could be stimulated by trade and investment could go a long way in removing some of the causes of unrest and insurgency. Malaysia's racial tensions, for instance, can be kept under control as long as the economic pie keeps getting bigger for all races.

*Business  
in region  
for aggressive  
competitor*

**Canadian exports to and imports from  
Southeast Asian countries**  
(in millions of Canadian dollars)

	1960		1970		1974		1975	
	Exports	Imports	Exports	Imports	Exports	Imports	Exports	Imports
<b>ASEAN</b>								
Indonesia	2.1	0.5	16.5	0.6	53.6	4.6	66.8	14.3
Malaysia	4.7	28.1	14.0	34.2	29.3	62.2	24.9	56.7
Philippines	14.8	2.0	30.2	4.3	50.0	15.7	58.3	22.4
Singapore	n.a.	n.a.	10.8	20.2	29.5	52.0	36.5	46.7
Thailand	2.7	0.8	8.0	1.1	25.0	3.0	22.5	6.3
<b>Other Pacific countries</b>								
Hong Kong	21.7	15.5	20.8	78.5	40.0	134.8	43.6	170.3
Taiwan	2.9	1.1	17.7	49.7	43.5	197.5	38.8	181.4
Korea	3.9	0.4	17.9	73.3	13.9	138.1	82.1	166.3
China	8.8	5.6	135.4	446.2	18.2	62.1	377.3	56.3
Japan	178.1	110.4	776.8	2194.5	556.5	1449.9	2119.8	1204.3



# Recap of 30th General Assembly: a demonstration of resilience

by C. V. Svoboda

The work of the thirtieth session of the United Nations General Assembly ended on December 17 with the traditional minute of silence. Many delegates, eager though they were to file wrap-up reports and catch planes for distant capitals, may nevertheless have welcomed, and certainly merited, that moment's respite after having considered a record 126 agenda items (at more than 450 committee meetings and 100 plenary sessions addressed in 11 languages) and adopted some 120 resolutions! The fact that the busy delegates also, according to one estimate, managed to organize over 1,100 social events during the consecutive seventh special and regular thirtieth sessions and still found time to attend 5,200 hours of meetings during 1975 might have been in the minds of many as they stood in reflection.

Figures cannot tell the entire tale, but the thirtieth session was also attended by some 15 heads of state or government and 200 ministers. The level of interest, but one indication of the importance attached to the UN by its members. Aside from the glitter, ceremony and sheer numbers, the substantive and frequently farrelsome debates continued to attract the world's attention and, perhaps more than in years past, drew reactions from all parts of the globe.

With the admission of Mozambique, Cape Verde, São Tomé and Príncipe, Papua New Guinea, Comoros and Suriname, which brought its membership to 144, the world forum moved closer to its goal of universality. As the process of decolonization nears completion, such perennial questions as the membership of the Vietnams (which the thirtieth session returned to the Security Council with a commendation overwhelmingly in favour of admission), and the Koreas (where political problems persist) remain as the major hurdles in the organization's approach to universal membership. The

trend towards universality, long supported by Canada, is an achievement no other international organization has matched.

## Grounds for hope

The thirtieth session followed immediately upon the seventh special session on international economic co-operation, the success of which gave grounds for hope, but no assurance, that the spirit of moderation and conciliation would continue. From the perspective of those who took issue with the sometimes controversial rulings of his predecessor at the twenty-ninth session, the election of Prime Minister Thorn of Luxembourg as Assembly President seemed to augur well for the new session. Indeed, it was quickly acknowledged by all groups that his leadership, steeped in the Parliamentary tradition, was thoroughly capable, moderate and impartial. Despite some areas in which progress or consensus was impossible, the session showed moderate progress on economic, political (including decolonization), human rights, financial and legal matters. Contrary to the view of those who would deny the organization's ability to produce results in the midst of incessant power struggles, many issues were dealt with by the Assembly quickly and conscientiously.

*Thorn's leadership was acknowledged as capable, moderate and impartial*

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*Unprecedented  
open hostility  
in wake of  
resolution  
equating Zionism  
with racism*

In marked contrast to the quiet successes of the session was the fateful and provocative resolution equating Zionism with racism. A short paragraph in Resolution 3379 amending an otherwise respectable and commendable text adopted earlier by consensus in the Economic and Social Council resulted in the Assembly's accepting the view that "Zionism is a form of racism and racial discrimination". Resolution 3379 is unlikely to pass quickly into obscurity. Indeed, the storm that followed the introduction of this resolution left the United Nations with an unprecedented amount of open hostility. Polls revealed that, in the United States at least, support for the UN had sunk lower than ever before.

Within the Assembly, although a victory of sorts was won by those antagonistic to Israel, a high price was paid in terms of Third World solidarity. For the voting on this resolution (72 for, 35 against, 32 abstaining and three absent) on November 10 broke the usual unity of the developing countries and revealed a division in the ranks of the so-called "new majority". Canada, with a number of like-minded states, played an active part in attempting (unsuccessfully) to deter the resolution, not only because of its inherent unsoundness but because of obvious danger to the United Nations itself.

A procedural move to defer the question, incidentally, failed by only 12 votes (55 for (Canada), 67 against, 15 abstentions), revealing that many members would have preferred to avoid putting the issue to the test. An analysis of the voting indicates, in fact, that 17 African states abstained or voted against the resolution. Most of the 19 African states voting in favour have substantial Moslem populations.

The reaction in Canada, Western Europe, Scandinavia and certain Commonwealth countries was swift and vigorous. On November 12, the Canadian Parliament unanimously condemned the resolution on a motion of Mr. John Diefenbaker, in the following terms:

"(it) . . . is in the opinion of this House unmerited, untrue and deserving of the unqualified condemnation by this House and by all peoples who believe in freedom and world peace."

While the resolution on Zionism is generally seen as a success for the Arab cause, it was somewhat weaker than the most extreme elements would like to have seen. For the time being at least, Israel's membership in a forum where its vital interests are at stake has been preserved.

Within the limits of the UN system, the practical impact of the Zionism resolution may be diffused in the long run. More unfortunate is the damage to the credibility of the generally positive thrust of UN activities in the broad area of human rights. Such activities as International Women's Year and the forthcoming Conference on the Elimination of Racial Discrimination are immediately identifiable victims.

### **Major item**

One estimate has it that the thirtieth session spent 30 per cent of its time on questions about the Middle East. For the first time in three years, the Arab states began a general debate on the Middle East situation. An attempt was made to capitalize on the success achieved at the twenty-ninth session, when the Palestine Liberation Organization was recognized by seeking greater recognition of the rights of Palestinians. Following the appearance in the General Assembly of President Sadat of Egypt and the Sinai disengagement agreement, Resolution 3375 was passed, calling for PLO participation in all efforts to solve the Middle East question. Though Canada agreed that the Palestinians should be represented in peace negotiations affecting their own future, it abstained, indicating that the resolution questioned by implication the right of Israel to exist.

The debate in the Special Political Committee on the United Nations Relief and Works Agency for Palestine Refugees and the presentation of the Report of the Special Committee to Investigate Israeli Practices Affecting the Human Rights of the Population of the Occupied Territories occasioned further exchanges on the prospects of reconciling Israeli and Palestinian interests (which remain as dim as ever). Although the debate in this committee was moderate compared to past sessions, the coincidence of raids on refugee camps with the establishment of Israeli settlements in lands occupied since 1967 undoubtedly made it increasingly difficult for Israel's friends to support it actively during these discussions.

The mandate of the United Nations Emergency Force in the Middle East was renewed by the Security Council for a 12-month period in a restrained debate that also approved an enlargement of the force required to police the second Sinai disengagement agreement. This was a welcome development for UNEF, since the previous renewals for six-month periods had made long-term planning difficult. Conversely, renewal by the Council of the

*Resolution  
condemned  
by Canadian  
Parliament*



UN Disengagement Observer Force was for a further six months only, and this took place in a tense atmosphere in which Syria extracted the concession that the Security Council would hold a full-scale debate on the Middle East situation and a statement by the Council president that the PLO would be invited to take part. Israel opposed this development as introducing extraneous "political" considerations during the Council's renewal of the UNDOF mandate. Canada took a leading role in negotiation of the resolutions financing UNEF/UNDOF until the end of its current mandate.

### **Bitter debate**

The peacekeeping effort in Cyprus was also renewed, but only after bitter debate. Many delegates expressed frustration at the lack of progress in ending the eight-month division of the island, and Turkey found itself obliged to cast the only negative vote on the Cyprus resolution, thus destroying the consensus of previous years. Turkey was successful in extracting the political "rider" that operations of the peacekeeping forces in the north of the island would depend on elaboration of an agreement with the Turkish Cypriots.

This year, the campaign surrounding the almost traditional debate on the "Korean question" was particularly intense both in New York and in capitals. Supporters of the R.O.K. and the D.P.R.K. positions both presented resolutions that conflicted in a number of essential ways, though at first glance they looked similar. For example, both resolutions called for the dissolution of the UNC and withdrawal of all troops under the UN flag from Korea. The pro-R.O.K. resolution, which Canada supported, maintained that dissolution should not occur without some specific provision being made to keep the Korean Armistice Agreement (1953) in effect pending a wider settlement. The supporters of the D.P.R.K., on the other hand, called for a peace agreement to replace the armistice, but made no provision for the maintenance of the armistice until the "peace settlement" was achieved. Furthermore, it became clear that, in the view of the D.P.R.K., any peace agreement should be negotiated between North Korea and the U.S. only. The supporters of the R.O.K. maintained that the question must be resolved by the two Koreas themselves without undue outside involvement. Because of these and other important elements of disagreement, no consensus could be achieved and, for the first time in the history of the UN General Assembly, contradictory resolutions deal-

ing with the same subject were passed, the pro-R.O.K. resolution, with a vote of 59 (Canada) to 51, with 29 abstaining, and the pro-D.P.R.K. resolution, with a vote of 54 - 43 (Canada) - 42.

The debate on the former Spanish Territory of the Sahara witnessed the second pair of mutually-contradictory resolutions. The first, though it maintained the approach taken by previous resolutions calling for decolonization and the right of Saharans to self-determination under UN supervision, made no reference to the recently-signed tripartite agreement between Spain, Morocco and Mauritania. This resolution, adopted with no opposition but with a large number of abstentions including Canada's, was preferred by most African states and Algeria. Canada also abstained on the second resolution, which took note of the tripartite agreement and requested that the interim administration (excluding Algeria) ensure all Saharans the exercise of self-determination with the assistance of a UN representative. This resolution was preferred by most Arab states and those sympathetic to the territorial claims of Morocco and Mauritania.

The status of the world's remaining non-self-governing territories — now mainly small areas, except for Namibia and Zimbabwe (Rhodesia), which are special cases — merits Canadian attention in spite of their relatively small size. Canada intervened in the debate to note that self-determination did not necessarily always lead to immediate independence. While the independence of certain remaining territories (e.g. Solomon Islands) is assured in the near future, the eventual fate of others (Belize, Afars and Issas) is uncertain because of historic problems or conflicting claims among neighbouring states.

*Canadian  
intervention  
in debate on  
self-determination*

### **Portuguese Timor**

The situation of Portuguese Timor has been discussed in past years under the heading of general decolonization, and Canada has supported resolutions calling for the orderly liberation of colonies. The situation was different this year because of fighting between rival parties in the territory and the inability of the administering power to restore order. Indonesian intervention in Timor took place during the General Assembly session and prompted resolutions in both the Assembly and Security Council. Canada abstained on the former, which "deplored" the Indonesian action without fully taking into account the circumstances that led up to intervention. Canada agrees with the spirit

of the better-balanced Security Council resolution.

Progress was made on the questions of Rhodesia and Namibia, which were discussed for two months. A broad political consensus was achieved on Rhodesia by adoption of a resolution that no longer called on Britain to bring about events it had no power to effect, and a full understanding emerged between the African states and Britain regarding the wording on majority rule. The resolution on sanctions, supported by Canada, resulted in the renewed abstentions of six countries. The debate on Namibia drew increasing criticism from those countries whose national commercial interests were developing Namibian resources under agreements with South Africa. The Assembly was forced to conclude that, in some areas like Namibia, Timor and the Sahara, it was powerless to influence events, and a certain amount of frustration was evinced in discussions. In general, however, the work of the Fourth Committee was accomplished in an atmosphere of conciliation resulting from the ground-work laid by the work over the past year of the Committee of Twenty-four.

### Human rights

At the opposite end of the spectrum were the discussions on issues of human rights, in which open hostility in debate was manifested to an unprecedented degree. This animosity was clearest in the Zionism discussion, but was also evident in debates on Chile, torture, International Women's Year and the well-intentioned but abortive U.S. initiative regarding amnesty for political prisoners.

On Chile, the past pattern of debate was continued with discussion of the report of the Ad Hoc Working Group on the Situation of Human Rights in Chile, and a resolution was adopted deploring the Chilean Government's refusal to receive the members of the group. Other declarations aimed at protecting all persons from torture or other cruel, inhuman or degrading punishments and affirming the rights of the disabled, broke new ground for the UN and were adopted unanimously, but with little fanfare. Canada co-sponsored these measures. The President of the Assembly considered that the declaration on torture was one of the single most important achievements of his term. It is possible that it may lead to proposals for the drafting of a full international convention.

The debate on *apartheid* was a well coordinated condemnation of South African policies in this area. The debate nevertheless revealed some divisions within

African solidarity and resulted in embarrassment for the Eastern European group when the role of the Soviet Union and Cuba in Angola was drawn to the Assembly's attention by some speakers. Canada intervened with a major statement by Mr. Louis Duclos, M.P., in his capacity as Canadian representative in the Special Political Committee. The official position on participation of Canadian groups in sporting competitions was clearly outlined. Scepticism was voiced over the utility of simply removing some forms of "petty *apartheid*" while the bulk of the offending legislation remained untouched, and a call was sounded for the participation of all South Africans in the political system. The Canadian statement represented the reiteration of the firm public position that had been taken in the past. A similar attitude on the part of the United States demonstrated the growing Western impatience at the lack of change in South Africa's racial policies. The final seven resolutions covered such aspects as arms sales, the Bantustans, *apartheid* in sport (co-sponsored by Canada), and the general situation in South Africa. Canada supported all these resolutions except the last which contained excessive terminology and advocated objectives and methods that the Canadian Government opposed.

Deliberations in the First Committee on arms-control and disarmament questions were lengthy and produced a record number of resolutions. The proliferation of resolutions, statements and explanations of vote reflected both the complexity of arms-control issues and the growing frustration of most non-nuclear-weapon states at the lack of progress in the disarmament field in recent years.

Canada joined in an appeal to nuclear weapon states to end their nuclear testing, and supported a resolution calling on the Conference of the Committee on Disarmament (CCD) to give the highest priority to the drawing-up of a comprehensive test-ban agreement. The Soviet Union tabled draft treaties on the complete and general prohibition of nuclear-weapon testing and on "the prohibition of the development and manufacture of new weapons of mass destruction and new systems of such weapons".

In a resolution co-sponsored by several non-aligned countries, the Committee regretted that the Strategic Arms Limitation Talks had not achieved positive results, expressed concern about the objectives laid down for these talks by the United States and the Soviet Union, and again urged the U.S. and the U.S.S.R. to broaden the scope and accelerate the pace



the talks. The resolution was opposed by the U.S. and the Soviet bloc on the ground that it misrepresented the achievements of the November 1974 Vladivostok accords. Canada explained that it had voted in favour of the resolution in order to join with others in stressing the urgency attached to early agreement between the U.S. and the U.S.S.R. on further qualitative limitations and substantial reductions of their strategic nuclear-weapon systems.

### Peaceful nuclear explosions

For Canada, one of the most important issues dealt with in the First Committee was the application of nuclear explosions for peaceful purposes. Canada was among the co-sponsors of a resolution that, *inter alia*, stressed that it was not possible to develop nuclear-explosive devices for peaceful purposes without also acquiring nuclear-weapon capability. The resolution, 3484A (XXX), was adopted in the Assembly with 97 members in favour, five against (Albania, Bhutan, China, India, Malawi) and 24 abstaining (including the Soviet bloc, the U.S.A., Argentina, Brazil, France and Spain). The U.S. and the Soviet bloc made it clear, however, that they agreed with much of the main thrust of the resolution.

The Fifth Committee undertook its usual share of resolutions on financial and administrative matters, which ensure the operations of the world-wide UN system. As its main task, the Committee recommended appropriations of \$745, 813, 800 for 1976-77. Growth over the past year was restrained, and enabled most major contributors such as Canada to support the resolutions covering the budget. While developing countries were unhappy with the slow growth in UN programs and development activities, they have, in general, resisted pressure to apply their voting power to financial questions and thereby run the risk of eroding the support of the developed states, which are assessed the greater part of the funds required by the United Nations. There is a general awareness of the precarious financial situation of the organization and its dependence on the timely payment of assessments by major contributors.

Canada took a leading part in the initiative of a broadly representative cross-section of UN members to promote a more responsible approach to financing the organization. The UN Secretariat replied to questions raised at the last session that clearly revealed the serious problems of the UN and the probable growth of its deficit in the absence of remedial action.

As a result, a 54-member intersessional committee has been created to recommend measures for bringing about a comprehensive settlement of the UN's critical financial situation.

The Sixth (Legal) Committee continued in a highly professional manner its consideration of the codification and development of international law. The General Assembly has made notable contributions to the development of treaties and guiding principles on outer space law, thus keeping pace with the rapid technological progress and activities of member states. At the thirtieth session, the items of major interest were the drafting of principles to govern direct television broadcasting by means of satellites and the consideration of the legal implications of the "remote sensing" of the earth from space. A third priority item, a draft treaty relating to the moon, was once again discussed, but little progress was made owing to continuing disagreement on the status of the moon's natural resources.

*Little progress  
on draft treaty  
on moon resources*

In discussing the question of direct-broadcast satellites, delegates noted the progress that had been made in the Outer Space Committee and its Legal Subcommittee during the previous year, but had, nonetheless, to recognize that a reconciliation of opposing views was not yet possible on the sovereignty of states and freedom of information. Debate on the legal implications of remote sensing brought to light a tendency to polarize positions; many delegations called for an immediate draft treaty on "consent to sense" and the restriction of data-dissemination, while others demanded the "maximization" of benefits from remote sensing rather than the regulation of its use. A resolution on this item was adopted by consensus in the First Committee, *inter alia* directing the Outer Space Committee to continue through 1976 its efforts to find agreement on a full set of principles to govern direct television broadcasting and its study of the international legal implications of remote sensing.

### Charter review

No other item before the Sixth Committee elicited greater interest than the question of the desirability of reviewing, if not revising, the UN Charter. The views expressed varied from those of states that were staunchly "anti-revisionist" to those of states advocating immediate, wide-ranging revision of the Charter. At the thirtieth session, this item was debated in conjunction with the regular item concerning the strengthening of the role of the United Nations. Discussions of Charter review

thus tended to be very broad and sometimes diffuse, with a variety of proposals advanced to make the UN system more responsive and dynamic. Despite the continuing scepticism of many member states, consensus was reached on a resolution that reinstituted, as a permanent special body, the Ad Hoc Committee on Charter Review established at the twenty-ninth session. It may be expected that a wide variety of ideas for enhancing the functions of the UN, including proposals for procedural and structural changes not involving amendments to the Charter, can be considered by this committee over the course of a number of sessions.

Although there was no substantive debate on law of the sea matters in the General Assembly, many delegations took advantage of the presence of their experts in New York to hold informal consultations. By any standard — the number of states participating, the size of delegations, the variety and importance of issues — the Law of the Sea Conference convened under United Nations auspices was the most significant international lawmaking effort undertaken by the international community in many years. The General Assembly adopted Resolution 3483 (XXX), on December 12, 1975, approving the convening of the next session of the Third Law of the Sea Conference from March 15 to May 7, 1976, in New York, and the convening of a possible further session.

The Second (Economic) Committee considered over 50 resolutions, from the UN University to the UN Children's Fund, but the main focus of the discussion was the mid-term review and appraisal of the International Development Strategy for the Second UN Development Decade. The need for continued forward movement on a new international economic order, following from the seventh special session, was a challenge Canada took seriously. The result will be judged by history but, in the view of many, there are grounds for optimism on the progress so far made. In general, the spirit of compromise manifested at the seventh special session was sustained. Though not all developing countries were satisfied with the outcome of the special session, they appeared willing to suspend final judgment until all the results were in, and meanwhile to take part in constructive dialogue. This is a reassuring sign for future talks within the UN, the Conference on International Economic Co-operation and other international economic groupings.

The 18-page Resolution 3517 provides a general mid-term appraisal of the Second Development Decade. It lays the blame

squarely on the developed countries for any failure to meet objectives, while those targets that were met have been credited to the developing countries or external factors. Nevertheless, Canada voted in favour of the resolution in the belief that renewed efforts were needed if those goals were to be attained during the remainder of the decade. It took exception, however, to the call to facilitate the role of associations of producers without mention of consumers' associations, and would have preferred a generally better-balanced review and appraisal in language more consistent with the specific agreements and climate of the seventh special session.

## Habitat

The major Canadian initiative in the Second Committee related to the arrangements for the *Habitat* Conference on Human Settlements. After delicate negotiations, Resolution 3438 was adopted on December 9 without a vote and the way was paved for the signing of an agreement between the United Nations and Canada as host country. The unanimity achieved, which was specially gratifying to Canada, ensured that subsequent preparations would proceed in the proper atmosphere for a conference of this kind. The agreement itself, which was signed on December 23 by the Secretary-General of the United Nations, Mr. Kurt Waldheim, and the Permanent Representative of Canada to the UN, covers such matters as conference services, media facilities, transportation and financial arrangements.

The "monolithic" voting of the Third World, which drew much attention at the twenty-ninth session, had by the thirtieth session begun to reveal internal pressures. Extreme and, to some, offensive resolutions could still be adopted by the General Assembly, but only with narrow majorities that changed in composition. This has shattered any former belief that the General Assembly was in some way an international legislative institution with voting along "party lines". There are also indications that states are more prepared to weigh the consequences of their votes and to take their responsibilities as members more seriously. Nevertheless, positions on many questions remain as divergent as ever, and much remains to be done to strengthen the consensus approach and bring about a reconciliation of the needs and views of the new majority with those of the old majority of founding members. In spite of its best efforts to accommodate their views, Canada will probably continue to find itself, on certain matters of principle and practice, in a minority position.

## Informal consultations on law of sea



any UN votes in the years to come. The Canadian delegations to future sessions will have a prominent part to play in reforming and strengthening the UN and the multilateral system in general as a major and continuing foreign-policy objective. We must use the opportunity that presents itself, since there is a real possibility that, with all the strains to which it has been exposed, the UN system may now be at the point where improvements can be introduced.

No review of the thirtieth session could be complete without reference to the role played by U.S. Permanent Representative Daniel Patrick Moynihan. American political caricaturists have portrayed Mr. Moynihan in roles ranging from King Lear and Savanarola to Wyatt Earp. The success of Mr. Moynihan's tactics in the UN forum may long be questioned, but there is no doubt of their approval by the American public. "Fan mail" to the U.S. Ambassador reached 4,400 letters during one week of the session, reportedly a record for holders of his position. These letters suggest that his methods, however controversial, have in some measure restored the American public's confidence in the value of active U.S. participation in the UN. From this perspective at least, such a development will be viewed as welcome.

For the United Nations, 1975 was fairly typical of the 30 years of its existence as

an organization — another kaleidoscope of conflict and peacemaking, of advance and setback, agreement and disagreement, of serious concern with unresolved problems and satisfaction with the solution of others. Nevertheless, while the organization has enjoyed better years, it has also suffered far worse.

It is not expiring, and is, indeed, showing a resiliency for which few have given it credit. The signs of confrontation are worrisome, but the mere fact that the developing world is exercising its numerical strength in various UN bodies is indicative of a fundamental belief in the system provided for resolving disputes. It also suggests an implicit faith in its future. There are grounds, therefore, for some confidence that, with the experience of recent history in mind, the United Nations will again prove equal to present challenges and once again demonstrate that it is often most creative when it is in the most serious trouble. We sometimes forget how far the United Nations has already gone towards giving substance to its Charter, how it managed to survive the period of the Cold War and decolonization, and how it has succeeded, on the whole, in preventing the recurrence or spread of hostilities in many parts of the world, though long-term solutions for the underlying causes of these disputes have eluded it.

*United Nations  
most creative  
in times  
of trouble*

## *Canadian aid policy*

# 'What's in it for us?'

by Sheldon Gordon

For the past 25 years, the Canadian business community invariably has asked that question of Ottawa's foreign-aid program. And for the past 25 years it has generally been satisfied with the answer. Canadian business may not, however, be satisfied much longer.

The Canadian International Development Agency (CIDA) is juggling its assistance priorities for the next five years, and the shift is likely to prove painful for a number of domestic suppliers and consultants who have been traditional beneficiaries. Moreover, CIDA will be an "in-house" proponent of Canadian Government concessions to the Third World on a wide range of trade, investment and monetary relations.

The Canadian response to demands for a "New International Economic Order" may far surpass in value the traditional forms of aid to developing countries. But it will also exact a measure of sacrifice to which both Canadian businesses and consumers have been unaccustomed, and for which they are as yet unprepared. Some segments of Canadian business may be

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able to cash in on this new era of development co-operation but, for many, "what's in it for us" will not necessarily be a continuing bonanza.

Since CIDA was created in 1968 as the proconsulate of Ottawa's growing aid empire, its staff has presided over the expenditure of \$4 billion, most of it in bilateral loans and grants. The agency has at present 2,700 contracts with Canadian firms to supply manufactured goods and equipment, as well as 140 contracts with suppliers of commodities ranging from grain and newsprint to copper and asbestos. It also has 135 contracts with consulting firms. Of CIDA's \$900 million in estimated spending for the fiscal year 1975-76, \$600 million is used by the receiving nations to shop for goods and services in Canada. This "recycling" of benefits to the Canadian economy results from the "tying" of most CIDA aid dollars.

### Strings attached

The original designers of Ottawa's foreign-aid program believed such recycling was necessary to maintain public support for their efforts. And they concluded that strings had to be attached because high-cost Canadian manufacturing firms were as much as 15 percent less competitive than their rivals in other developed countries. The "Buy Canadian" restriction was also meant to assure Canadian exporters a foothold in foreign markets they might otherwise have been unable to penetrate through purely commercial transactions. The foreign-aid program has, in fact, been Ottawa's costliest subsidy to Canadian private enterprise. The rhetoric of CIDA spokesmen, however, persists in representing hardheaded commercialism as goodhearted altruism.

Until very recently, CIDA had concentrated on capital-intensive development projects and surplus-food disposal. Its chief domestic beneficiaries were companies in the communications, transportation and energy sectors (such as Canada Wire and Cable Ltd., MLW-Worthington Ltd., and Atomic Energy of Canada Ltd.) and processors and producers of such farm commodities as wheat, eggs, skim milk and beef.

A tiny fraction of the CIDA budget is devoted to incentives for Canadian businesses to set up joint ventures in developing countries. But most Canadian investments in the Third World (e.g. Alcan, Massey-Ferguson, Canadian chartered banks) have been outside this framework. Nor have all CIDA-sponsored investments flourished. The Malaysian subsidiary of Microsystems International,

for example, collapsed a few years before its Ottawa-based parent met a similar fate.

During the past five years, Parliament's allocations to CIDA have climbed at an annual rate of 20 per cent. But this spiral has now been checked by Government austerity. This year's increase, though lifting CIDA spending to the \$1.5 billion dollar plateau, was only sufficient to offset inflation. And the proportion of the gross national product devoted to foreign aid is actually falling — from 0.54 per cent in 1975-76 to 0.54 per cent in 1976-77. The Canadian business community, for all its diatribes against Ottawa's lavish spending habits, will miss the fillip that extra CIDA aid contracts would have given to export business. Moreover, the cozy CIDA-business relationship will be strained by the agency's new "Strategy for International Development Co-operation."

### CIDA's strategy

This five-year plan, published last September, charts the adjustments being forced upon CIDA by a number of developments outside Canada. The various pressures are of differing vintage, but they have coalesced in the past year or two to form an "agonizing reappraisal" by all Western aid donors.

Almost from the moment that aid began flowing to them, the newly-independent nations of Asia and Africa have been looking the Western gift horse in the mouth — and recoiling from its bad breath. Having severed their colonial bonds, the poorer nations chafed at the attachment of political and economic strings by their benefactors.

Their reaction, though not ungrateful, has included a persistent demand that the number of aid strings be minimized — the political ones through the channeling of more Western assistance via multilateral aid institutions and the economic ones through the "untying" of whatever aid flows continued on a bilateral basis.

The developing nations have acquired two valuable allies in their crusade. The first has been the growth of international organizations, both within and beyond the United Nations orbit. They include the UNDP, the WHO, the FAO, the UNRR, the World Bank, and, now in their formative stages, the International Agricultural Development Fund and the Commonwealth Rural Development Fund.

The Third World's other strategic ally is intranational: the non-governmental organizations, such as Oxfam, Gatt-fly and CUSO, which mobilize domestic public opinion in favour of development assistance, translating generalized good v

*Foreign aid  
a costly  
subsidy  
to Canadian  
enterprise*



into potent political pressure on governments. In the past three years, these forces have attached themselves to an economic whirlwind. Poor grain harvests and depleted global reserves have raised the spectre of mass starvation in South Asia and Sahelian Africa.

The scalping of scarce oil resources by OPEC has created a new level in the world's economic pecking order — *nouveaux riches* such as Mexico, Venezuela and the Arab sheikdoms. These upheavals have started “a whole new ballgame” in development assistance. It is now seen as urgent for poorer nations to harness their arable land and become self-sufficient in food-production.

Aid donors, aware of this new imperative, righteously seek to deter the misuse of scarce Third World capital in such glamour projects as satellites and nuclear devices. The givers also have awakened to the need for more discrimination in choosing their beneficiaries.

The upheaval has produced leadership for the Third World's bid to redress the economic imbalance with the rich industrial nations. The oil states, by flexing their muscles, give the poorer nations a chance to challenge the Western bully.

## Response

What is CIDA's response, and how will it affect the business community?

The agency will concentrate most of its attention on the 40 or so poorest nations, reducing its help to past recipients who have succeeded in graduating from the Third World slums. CIDA will aim future projects at agricultural production, rural development, public health and education in the developing countries. Industrial infrastructure projects will be downgraded. Instead of locomotives and transmission equipment, Canada's foreign-aid program will export more farm implements, medical hardware and educational materials.

Fewer engineers and more agrologists, nutritionists, teachers and doctors will receive CIDA contracts to work abroad. The agency's search for exportable manpower and technology will shift from business to public institutions. It will increasingly tap the resources of the federal and provincial governments, universities, hospitals, medical and agricultural research centres.

Moreover, this is not the only shift that will make it harder for business to earn an aid dollar. CIDA has irked the Canadian Export Association by deciding to untie more of its bilateral aid. Suppliers in developing countries — though not in

other developed countries — will be permitted to tender for contracts on CIDA bilateral loans. If the more advanced of the developing nations — like Brazil, Mexico, South Korea — are included on the list of eligible bidders, Canadian suppliers might lose as much as \$200-million worth of potential export orders over the next five years.

The Department of Industry, Trade and Commerce hopes such trade diversion will be offset by more successful Canadian tendering for contracts let by the World Bank and regional development institutions. In the past, Canadian suppliers have been either unfamiliar with the available opportunities or too inefficient to make a competitive bid — or else the projects were suited to consortium arrangements rather than the “rugged individualism” of Canadian businesses. Canadian suppliers, the joke went, were only fit to be tied. But they had better learn to compete aggressively for contracts from multilateral institutions.

Not only are Canada's bilateral contracts being partially untied and increasingly directed at the public sector, they are being reduced as a proportion of the CIDA budget. The share of CIDA assistance channeled through multilateral vehicles will rise from 24 per cent to 35 per cent over the next five years (not counting food donations).

Most of these changes in CIDA's strategy amount to a sensible adaptation to new and irresistible circumstances. A number of the reforms, such as the further multilateralization and untying of aid, have been urged by academic experts for years. Ironically, as CIDA finally bows to the inevitable, it has the *chutzpah* to trumpet these innovations as a “Great Leap Forward” in international co-operation. External Affairs Minister Allan MacEachen was not a pioneer but a laggard when he addressed the seventh special session of the United Nations General Assembly last September. The Minister devoted only one page of his speech to industrial co-operation, dwelling longer on a recitation of Canada's new aid plan.

## Beyond aid

In contrast, the concerns of the developing nations have moved beyond aid, focusing now on a realignment of trade and investment dealings with the West. It is only fair to add that CIDA has finally begun to act on President Paul Gérin-Lajoie's five-year-old commitment to tackle these so-called “multidimensional” issues. That may prove the most demanding adaptation of all for the agency. It has been top-heavy with

*Sensible adaptation to irresistible circumstances*

program administrators who knew how to run projects but lacked expertise on matters such as tariff levels, commodity stabilization agreements and currency movements.

Officials from the Departments of Finance, Agriculture, and Industry, Trade and Commerce have dominated the internal government debates on what Canada's negotiating positions should be in forums such as the International Monetary Fund and the General Agreement on Tariffs and Trade. These officials have generally been sympathetic to the interests of Canadian producers.

CIDA is now brushing up on its economics in order to wield more "clout" on behalf of its own "constituency" — the developing countries. The kinds of policy the agency urges at interdepartmental meetings may alienate the business interests with which it has been so chummy for so long. Aid officials will not act as uncritical transmission-belts for the demands of the Group of 77. They will not, of course, press for the adoption of policies benefiting the Third World to Canada's detriment. Nevertheless, CIDA is likely to be more tolerant than its bureaucratic betters of such Third World aims as:

- commodity-supply agreements whose prices would be indexed to inflation and would make imported raw materials more costly for Canadian processors (though assuring their supply);

- tariff cuts on tobacco and other tropical farm products whose importation at lower prices might jeopardize Canadian output of similar commodities;

- international codes to regulate the conduct of multinational corporations and to promote the transfer of industrial technology on terms more favourable to the developing nations;

- measures by the industrial nations to discourage the development of synthetic substitutes for primary products that are crucial to the export earnings of the Third World.

These and other objectives of the developing nations are enough to cause sleepless nights for Canadian tobacco-growers, as well as textile and footwear manufacturers, who probably view every new shipment from Taiwan or the Philippines as a threat to their economic survival. They may be right. CIDA's imperative is to demonstrate that hardship to some sectors may be offset by the new opportunities awaiting others. Those opportunities are subsumed under the rubric of "industrial co-operation".

The Canadian and other Western governments are exploring with the Third

World a framework within which the transfer of capital investment, know-how, managerial skills, and production tasks could be accomplished. As a 25-year target, the UN has declared that 25 per cent of global manufacturing capacity should be located within the developing countries, which now have only 7 per cent. As CIDA President Gérin-Lajoie has said, such a massive shift "will not be done by governments of industrialized countries but by private enterprise".

"Canada does not appear", he adds, "to be in the forefront of industrialized countries already participating in the expansion of the industrial base of Third World countries." As a country that has itself wrestled with the foreign-ownership dilemma and experiences other problems common to developing economies, Canada could be expected to show some sensitivity.

CIDA and the Department of Industry, Trade and Commerce favour more "turnkey projects," in which Canadian enterprise builds and equips a plant, trains the staff, and then turns the project over to the developing country. Such industrial co-operation could be given parallel support by both CIDA and the Export Development Corporation. The EDC makes "hard", rather than "soft", loans to finance Canadian exports. Even so, its borrowers are often developing countries. The five year aid plan notes: "CIDA and the EDC have been able to co-ordinate their operations effectively . . . through such instruments as parallel lines of credit." This combination seems to be particularly well suited to the needs of the more advanced Third World nations.

### Consultation needed

The Canadian Government should consult its business supporters more systematically on the new directions that development co-operation is taking. It was all very well for Mr. Gérin-Lajoie to "tip-off" the Canadian Export Association about the new aid strategy shortly before its release, but such gestures are inadequate (leaving aside the question of their propriety). A more regularized, formal mechanism is required for a proper exchange of views. It should involve not just the business sector but non-governmental organizations (NGOs) as well.

The Canadian International Development Board could serve as an appropriate forum. As a clique of top-level bureaucrats drawn from several departments to advise the Cabinet on broad development policies, it has met infrequently. It is high time that a representative group of business and NGO leaders invaded the inner

*CIDA policies  
may alienate  
business interests*



sanctum. The Board could then be reconstituted as a kind of Advisory Council on International Development. It should follow the Dutch model and sit at regular and fairly frequent intervals.

CIDA's ties with the business community might also be smoother if Mr. Gérin-Lajoie stifled the impulse to use some of his public speeches to launch trial balloons. Late last year, for example, he proposed to the Canada Grains Council that developing countries be given a "right of first refusal" on the purchase of Canadian grain. Such a proposal, if ever implemented, could badly disrupt the Canadian Wheat Board's export business.

External Affairs Minister MacEachen let the air out of this balloon when he was asked about it in Parliament. But, notwithstanding the disclaimer, CIDA needlessly irritates the private sector when, in an already chancy period, it floats rash, ill-considered proposals. Canada's development-assistance program has benefited from a remarkable reservoir of public support. That backing is much broader than the public underpinning for the United States aid effort. Even as Canadian taxpayers rebel against government spending, they exempt foreign aid from their censure. But that reservoir is not bottomless, and CIDA ought not carelessly to deplete it.

*Remarkable  
reservoir  
of public  
support*

## Battle of ideologies marks the twenty years since Suez

By Nicholas Vincent

An extraordinarily intense spotlight burns on the last few months of 1956, on the historical currents surrounding the events of the Suez invasion. From the vantage-ground of today, it can be seen that in those events were exposed several key indicators of the future global balances of power.

Over the conflicts of that moment rolled the disharmony amongst the Western allies, the waning power of Britain and France, Arab and evolving Third World consciousness, the burgeoning prerogative power and foreign policy of the United States, and the tough assertiveness of the Soviet Union. The concentration of these forces at Suez had the rippling effect of catalysts to the future throughout the industrialized and Third World nations.

Over the past 20 years this future has become the past, and subsequent developments clearer. These years have witnessed the final decline in the global power of the former imperial states, the continuing evolution of the European Economic Community, the easing of the Cold War, the split between the Soviet Union and China and their respective increasing strengths, the altering political texture of the United Nations and its Third World membership,

the effectiveness of terrorist movements, and the sudden power of the Arab OPEC states in a chronically-inflammable Middle East.

These developments have embraced the growth of the decolonized Third World, both as an evocative conception and as a disjointed grouping of relatively weak nations finding strength through occasional unity and through links with industrialized or wealthier powers. For the United States, these and other changes have combined with the results of the Vietnam war to produce an uncertainty of approach to global affairs.

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The global effectiveness of the Soviet Union and, in more particularized circumstances, of China, has been demonstrated by recent events in Southeast Asia, Africa and the Middle East. In contrast to this, the former "Western allies" of 20 years ago, despite the evolution of the EEC and the specific rebuildings of West Germany and Japan, and the attempts at independent power by France, are, in a time of economic and strategic uncertainty, most clearly reflected in the eroded self-confidence of the United States. There has been a great leap between the basic assurance in its democratic "mission" of the mid-1950s and the hesitating stance of today.

One of the clearest themes emerging from this time of retrospection and of questioning the United States role in the global balances of power is that, in the final years of the decline of the former imperial powers, the United States has been unable to create a sustained ideological alternative to Marxism amongst the impoverished and the idealistic of the emerging states.

This is not necessarily a moral failure; idealism has been a component of the various forms of aid and volunteer assistance programs, although the ultimate premise was pragmatic—to better the image of the United States amongst the recipient peoples. In addition, a genuine detestation of Communism and a spoken belief in the basically undefinable term "freedom" underlay the more idealistic parts of the foreign policies of the Eisenhower and Kennedy administrations. Indeed, the mixture of opportunism and idealism resulted in the often contrarily-juxtaposed anti-colonialist and anti-Communist policies that made United States policy so difficult for its principle allies through Suez and the whole John Foster Dulles era.

### Growth of cynicism

In recent years, the United States has been regarded by many with an increasing cynicism as a result of the Watergate scandal, the support of dubious regimes, the international activities of the CIA, and the mishandling of the Indochina conflict. While these and other factors could be cited for the decline in the international stature of the United States, one of the major underlying reasons for the contraction of its influence has been the lack of an "American" libertarian ideology empathetic to the conditions and aspirations of many Third World peoples.

The alienation resulting from lack of such empathy has increasingly been reflected in the United Nations Assembly and Security Council, where resolutions

and motions specifically against the policy interests of the United States have received heavy support from Third World or "non-aligned" nations, as well as the major Communist powers. With this shift, the traditional non-Communist powers have found themselves forced into the vanguard stance that had once been the preserve of the Soviet Union.

While the military and economic power of the United States remains formidable, the problem of gaining an ideological empathy with a vast part of the world's populations is critical if it is to aid the formulation of regimes that have wide local support, integrity of administration, and a will to longevity in the face of Marxist or Communist expansionist pressures. For the Third World, contemporary reality is the spread of power, under Marxist ideologies, in Southeast Asia, mid- and southern Africa, and in certain specific areas of the Arab Middle East, North Africa, and some Indian states.

While in Europe Marxist ideals have held strong appeal for the urban proletariat and sections of the artistic-intellectual community, their appeal in the Third World extends to the intellectual-idealists and the peasant. There is, in Marxist theory, a clear justification and prescription for social change that has a ready appeal in corrupted or maladministered developing states. Whether such ideology has been the precursor of social-revolutionary change, or the credo of a revolutionary movement, or the dogma enforced by revolutionary *cadres*, it has often been more comprehensible and indigenously attractive than the semblances of "Americanism".

The attraction of Marxism lives in the cloak of strength and integrity it wraps around revolutionary movements. It gives a history of concrete examples of former revolutionary movements that succeeded from impoverished beginnings against nearly insurmountable odds. Included in this folklore are Mao's Long March and the first struggles of the Vietminh against the French reoccupation of Indochina after the Second World War.

Marxist revolutionary ideology gives a credo of faith that sustains its followers through adversity. Hardships of revolutionary struggle are accepted as a necessary part of the quality of the endeavour—an approach with many parallels to early Spartan Puritanism. The idealistic image of a near-ascetic character of conduct for the *cadres*, even if unachieved or harsh in practice, has a ready attraction for idealists trapped in corrupt regimes.

For the peasant, the strength of Marxist ideology lies in its identification



with his level of existence. This is especially true in those regions where the traditional administrations have been disturbed or corrupted. In such situations, the idealism of the United States usually gains only intermittent contact. Infusions of American technology and economic aid, where they have not been bled off to corrupt officials and inefficiency, may materially benefit the peasant, but they will still have failed to give the recipient an awareness of his own innate integrity in the scheme of things; instead, the complexity or alienness of such infusions may serve to put him into a position of dependence on or inferiority to the alien donors.

### **Mutual empathy**

Between the Marxist ideal and the poor and the oppressed there exists a mutual empathy. The impoverished situation is explained not as one of failure but rather as one derived from a history of exploitation and oppression under colonial and capitalist regimes. Their own national governments are identified and discredited through their links with such powers. They become targets.

The theory gives the oppressed a place of integrity in the Marxist dialectic, a prescribed status in the class struggle, and a comprehensible motivation and aim to improve their material position. The means are active revolution. The theoretical reward is a twofold objective of equality of power and security of existence. Whether or not the methods are harsh or the ends occasionally abused, the ideology gives meaning, justification and integrity to those who accept it.

Where the existing regime is corrupt or weak, its excesses play into the hands of the revolutionaries, who become attractive by their relative asceticism and constancy of purpose. Equally, often as the result of the decolonization process, where centralized control is fragmented as in Angola, a hard-core movement with specific aims can rapidly gain power.

The clearly-specified aims and the enshrinement of revolutionary ideals provide a light in adversity that may serve in the end to attract the uncommitted. Thus, as in South Vietnam, where politicians, spiritual leaders and intellectuals attempted to establish a "third force" as an alternative to the corruption of the existing Thieu regime and the rigidity of revolutionary Marxism, they found the vagueness of their aims insufficient. Adversity and oppression either left them impotent, or drove them to the revolutionary PRG camp.

The strategy and tactics of Marxist-ideology movements have had much to do with the discrediting of the United States in military and moral terms. In both the industrialized and developing world, these revolutionary forces have sought to exterminate and replace existing non-socialist administrations. In the Third World, the insurrectionist forces have gained control through appeals to popular grievances, and by discrediting, eliminating and replacing local and regional appurtenances of the existing regime. The methods involve the murder or coercion of civilian targets such as educators, tax-collectors, and administrators. These are carried out as a prelude to, or as part of, a guerilla war.

The response of the target regimes has been critical. As the withdrawal of British and French power continued, a number of governments under internal pressure turned increasingly to the United States for aid. Often these regimes have not had a basis of wide popular support, or have seen such a basis eroded through the tactics of the revolutionaries. Where such regimes have been blatantly corrupted, the infusions of United States aid and military responses have achieved a dubious integrity in international terms.

United States military agencies have steadily assisted the existing authorities, as, for instance, by the Special Forces training given to the Bolivian security forces that eventually shot Che Guevara; however, the inability to respond appropriately can lead to the high-technology blunderbuss approach, as exemplified in Indochina. There, the casual overkill of air-power, artillery and armour did much to alienate rural populations that had not previously been converted by the coercion or attractiveness of revolutionary forces.

*Assistance  
to existing  
authorities*

### **Repulsive elements**

In addition, intelligence operations such as the "Phoenix" program, which tried to counter the insurgent forces by using similar murder and coercion tactics, ended up as brutally repulsive elements supporting increasingly corrupted attenuations of the existing regime. Increasingly the character of the repression was seen as indiscriminately directed against the inhabitants in rural areas, a war of high-technology town against low-technology country. Only by a massive expenditure of human life and funds could semblances of control be exerted by the central regime.

The desire to gain an illusion of success for a high-technology but indiscriminating military machine has led to the frighteningly profligate use of "kill-ratio" or "conversion-ratio" statistics, which often



have had little relation to relative strengths of different ideologies throughout the affected population. The inability to measure the effect and power of ideology itself has not been resolved in terms of United States global power; the failure of propaganda and psychological warfare methods to create a sustained pro-American empathy, may, in reality, be the failure of the "American" ideology to be acceptable amongst much of the population of the earth.

A consistent ideology, perceptive tactics and persistence can, in the long run, go far to negate the initially shocking effects of high-technology military hardware or blanket infusions of economic aid. In measuring United States power and potential in the Third World, the longevity of regimes it supports will depend ultimately as much upon their resistance to tactics and ideology as upon their economic and military strength.

The Sino-Soviet split over ideological and national interests has permitted the

United States to gain some beneficial results by exploiting, cautiously, some of their differences for its own strategic benefit. However, in their pursuit of global objectives, both the Marxist powers have achieved measurable results in the Third World. In this perspective, it is true that Chile, Indonesia and Egypt may be "lost" for the time being but, on balance, the banners of Communist or radical socialist regimes have multiplied during the last two decades.

The clear victory of revolutionary forces throughout the Indochina theatre can give no solace to the uneasy regimes of Thailand, Burma, Bangladesh, India, while Westward, through such ventures as the Tanzam Railway and the Angolan campaign, the competing Sino-Soviet policies are beginning to bear fruit after suffering many of the same problems encountered by the United States aid and advisory programs.

The tension surrounding the current African incursions finds a counterpart in the Middle East. Here is a clash of forces and ideologies older and more complex through the conflicting interests and alliances of the great powers. The wealth and power of the OPEC oil states has brought new meaning to the turbulences of Arab-Islamic consciousness, Marxism, extremist nationalism, monarchist systems and the politics of terror. Perhaps it is the latter that strikes the saddest note of the current age.

The generalized effects of murder, kidnapping, highjacking and other expressions of terrorist tactics have been felt throughout all levels of the societies affected. In addition, whether linked with deeply-felt grievances, as with the PLO, or with a savage inflexibility, as with the IRA, the reverberations of such acts have reached the susceptible and brought new tensions to social structures everywhere.

The tensions of the two decades have not ceased. Against this background of global uncertainties, the Soviet Union, China and the United States still jostle each other in pursuit of their interests. They, and the other industrialized groupings and now OPEC, extend the rituals of alliances and power through each other and the developing world.

For the United States, the question is one of resilience. At a time when the sense of its "mission" has been brought into doubt, especially as a result of the Vietnam war, do disillusionment and retraction take its place, or are the traditions strong enough to create a social resilience and cohesiveness, and a keener view of power in the global sphere?

*Longevity of regimes will depend upon resistance to tactics and ideology*

**"HE WAS TAKEN FROM US BEFORE WE REALLY KNEW HIM"**





# SELA does little to further Latin American integration

By Jacques Zylberberg

Latin America is a heterogeneous collection of states that are quite happy to be states — coercive, amoral geopolitical entities, not subject to the hasty value judgments of a Western intelligentsia satisfied with a two-pronged description of an underdeveloped David confronting the military-industrial Goliath personified by the United States. The signing in Panama on October 18, 1975, of the constitutive instrument of the Latin American Economic System (SELA) aroused general enthusiasm among journalists and sympathetic observers, who once again trotted out the usual clichés about Latin American unity, saying that the southern countries — proletarian nations — were actively displaying their solidarity in working towards economic integration and opposing the industrialized nations whose selfishness was symbolized by American imperialism.

Numerous articles have been written in praise of the positive contribution of SELA to economic development in the area and highlighting the role of the technocratic élites and the new political forces that, since the creation of the United Nations Economic Commission for Latin America (ECLA) in 1947, have stepped up their efforts towards continental integration. We should like to counter this optimistic, even sentimental, view with a more realistic hypothesis on inter-American relations. SELA is perhaps, ideally and in the minds of the technocratic élites, a basis for consolidating regional integration and developing continental integration. In fact, however, it is — and will be — first and foremost a system providing additional room for manoeuvre to the major local powers — Brazil, Argentina and Mexico — in their attempt to reorganize inter-American relations under their trusteeship by taking advantage of the discomfiture of the United States Gulliver, pegged to the ground by its cultural malaise and the contradictions of its economic environment. The growing inconsistency of the State Department's Latin American policy under Mr. Kissinger's diplomatic reign has

enabled the major local powers gradually to take the place of the United States as centres of control and domination over the smaller states. This flowering of sub-empires on the continent does not imply — far from it — a redefinition of their national interests, which have always driven them — sometimes to fight, often to sabotage, and always to boycott any real efforts toward integration, despite their rhetorical statements to the contrary.

## Concessions to rhetoric

The constitutive instrument of this new geographic entity did, however, make certain concessions to the rhetoric of regional integration and preferential treatment for relatively less-developed countries, as indicated by the five objects of the agreement:

(1) To promote regional co-operation for the purpose of complete, self-sufficient and independent development.

(2) To support the integration process in the region and to encourage co-ordination of activity and co-operation among SELA member states, particularly of any activity tending to ensure the harmonization and convergence of these processes in observance of the commitments undertaken.

(3) To promote the development and implementation of economic and social programs and projects of common interest to member states.

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*Flowering  
of sub-empires  
does not imply  
redefinition  
of interests*

(4) To serve as a consulting and co-ordinating body for Latin American countries to enable them to adopt common positions and strategies towards other countries or groups of countries, as well as in international organizations, or, as the occasion arises, in the discussion of economic and social issues at international gatherings.

(5) In the context of the objects of intraregional co-operation within SELA, to provide suitable means of ensuring that relatively less-developed countries receive preferential treatment, and to enact special measures in favour of limited-market countries and those whose situation on the continent influences their degree of development, taking into account the economic conditions of each of the member states.

*Declaration  
of principles  
crowned efforts  
of smaller states*

This ringing declaration of principles seemed to crown the efforts of the small- and medium-sized states, which for about ten years had been firmly committed to the path of regional integration and were attempting to obtain a continental political ratification for their efforts at industrialization. The trend is exemplified in the efforts of the Chancellor of the Frei Government in Chile, Gabriel Valdes, to gain support for the May 1969 declaration called the "Vina del Mar Latin American Consensus". The declaration looked towards increased compatibility between the political and military agreements of the inter-American system and the reform options of the new local political forces and the industrial voluntarism of regional pacts. Three of these pacts reflect the beginnings of a common market:

The Andean Pact, uniting Chile, Peru, Ecuador, Colombia and Venezuela, is certainly a model of industrial integration for the continent.

The Central American Common Market, made up of Guatemala, San Salvador, Nicaragua, Honduras and Costa Rica, has engendered an interesting expansion of regional trade based on light manufacturing industries.

The Caribbean Community attempts to maintain close relations between the former British colonies in the West Indies.

### **Time of crisis**

Mexico, supported by Venezuela, launched the SELA operation at a time when the first two regional groups were in crisis. It was good politics to offer the participants in the regional pacts symbolic consolation, without giving them a real opportunity to resolve among themselves the inevitable difficulties of integration policies.

The protection granted to local agreements was rendered void by the institutional provisions, which created a few loose, scattered co-ordinating bodies, making the new organization more like the Council of Europe or the Organization for African Unity than an embryonic Common Market. A "mini-secretariat" located in Caracas, a Latin American ministerial council and "action committees" whose responsibilities remain vaguely defined, scarcely represent the legal authority, the technocratic competence and the institutional means required to achieve the concrete objects of integration; rather, they provide a convenient forum for agreement or disagreement over influence by the major powers, without compelling them to exercise any effective solidarity. Latin American unity was buried before it ever saw the light of day under the weight of an America of nation states — some of which, of course, were "more equal than others".

Four states are at present attempting to take advantage of the temporary decline of American influence to consolidate rapidly their own influence in the inter-American system and to fight the sort of balanced and egalitarian development policies for the continent as a whole that would call their existence as nation states into question and do away with their present comparative advantages. Three of these states certainly constitute embryonic imperial powers with respect to their neighbours, which are more or less deprived in terms of population or industrial capacity.

### **Mexican success**

Mexico, with a population of over 50 million, has succeeded, by means of an authoritarian and "corporatist" political system, in bringing about sectorial development in industry, mining and tourism. This development is limited by the social inequalities that curb the self-financing capacity of the domestic market. Mexico is at the present time probably the only SELA country that is able, from a *logical* point of view, to carry out successfully a generalized industrialization policy, socialist or capitalist. Such a policy would, however, endanger the present political equilibrium, which rests on a system of organized clienteles that are certainly not ready to sacrifice themselves for structural revolution, whether domestic or continental.

Failing to resolve its problems by internal means, Mexico has to strengthen its real but contradictory expansion through an external offensive at three levels, mee



g the simultaneous desires for national, political and economic expansion. First, the Mexican republic is trying to obtain an increase in those of its financial resources that come from Western countries, by increasing prices of raw materials and foreign credits; such a policy presupposes intensive support from other Latin American countries, and even from the Third World, for the continuous and complex bargaining that has set the country against its "Yankee" neighbour since the time of the Cardenas Government. Then, until local industrialization is able to flood the continent with its products, Mexico has to curb the opportunities for development and regional integration, which multiply potential competitors. Thus Mexico actively supports a policy of Latin American free trade, to the detriment of regional industrial agreements, which are based on increased protectionism.

Finally, the managerial élites have to prevent the emergence of an independent bloc on Mexico's doorstep. The Central American Common Market must be broken down into satellites in order to diminish the influence of the United States in this part of the world, which must become a safe buffer-zone between Mexico and the rest of the hemisphere. In short, Central America will become an economic satellite, entitled to strengthen its own light industry but supplying Mexico on a preferential basis. It should thus come as no surprise to find that President Echeverria was a pioneer of SELA, who skilfully uses "third world" (*tercermundista*) rhetoric to maximize his assets in the race for industrialization, independence and national expansion, and to dilute concrete regional solidarities in a highly-uncertain continental solidarity.

### lack of enthusiasm

The second of these powers, Brazil, which is certainly not been an enthusiastic sponsor of SELA, could not leave Mexico to take sole advantage of a privileged dialogue with the rest of Latin America. As Mexico's main long-term rival, Brazil finds itself faced with a problem similar to Mexico's but on a different scale. The Brazilian giant, with 100 million people, has also succeeded in achieving what might schematically be called political control of its population and in launching a drastic industrialization plan, which is in constant conflict with the narrowness of a national market diminished by the socio-economic exclusion of vast segments of the population. The Brazilian élites, who deliberately postpone national social and economic integration and rely largely on foreign

capital, certainly do not wish to encourage balanced development on the continent.

Like Mexico, Brazil has particularly favoured the Latin American Free Trade Association and has tolerated consolidation of the Andean Pact, but only to the extent that the Governments of Chile and Bolivia took the precaution of making numerous diplomatic gestures of goodwill towards Brasilia. Without wishing to draw hasty conclusions, we may note that Brazil's Chilean ally is at present endangering the Andean Pact. Like Mexico with respect to its own immediate neighbours, Brazil could not tolerate the Andean Pact countries' forming a powerful independent group.

At the geopolitical level, Brazil will continue to compete with Argentina in the establishment of a protectorate over Paraguay, Uruguay, Bolivia and Chile. While strengthening its policy of regional hegemony, Brazil will, on the other hand, give up its ambitions to be a continental policeman, which in 1965 led it to go along with the United States on its absurd Dominican venture. On the other hand, Brazil will play a more active diplomatic role on the continent; the generals in Brasilia will use the official solidarity of the SELA countries to obtain better trade conditions from their Western partners and Japan, to strengthen Latin American free trade, and to prevent the other major powers from capturing the market in the smaller states.

### Third power

Argentina, which has neither the population resources nor the political "stability" of its rivals, Mexico and Brazil, is nevertheless, in view of the extent of its early industrialization, one of the major powers on the continent. Economically, it is the one that profits most directly from the reduced growth of its Andean Pact neighbours, among which Chile (Argentina's largest neighbour) has been its traditional military and diplomatic rival. Argentina's continuing social and political crisis, however, limits its influence abroad but forces it to support Mexico's efforts in a loose free-trade group, in which Argentina will be the first to benefit.

While not a true power, Venezuela, because of its geography and economic situation, is temporarily the fourth of the "big" countries. For geopolitical reasons, it is led to seek direct control over the bordering area of Guyana and indirect control over the neighbouring West Indian islands of Curaçao, Aruba, and Trinidad and Tobago. Economically, the oil situation places Venezuela in the temporary

*Competition  
will continue  
between Brazil  
and Argentina*

position of arbitrator with respect to its Andean, West Indian and Central American neighbours. A grudging member of the Andean Pact, against the wishes of its business élites, and lacking any real industrial capacity, Venezuela finds itself in a weak competitive position and wishes to delay the speedup of Andean integration until such time as its "petrodollars" enable it to acquire basic industries worthy of the name. Meanwhile, the "third world" policy followed by Mexico is quite suitable to a country whose prime concern is the sale of its petroleum products. In confronting the Western countries, minor victims of the oil-price increase, Venezuela finds it useful to count on the solidarity of the non-oil-producing Latin American countries, which are major victims of price inflation.

The new mechanism for continental co-operation instituted in October 1975 will not be able to prevent the consolidation of these four major Latin American powers — to the detriment of underdeveloped countries or those whose development is only average — and the accentuation of multipolarity in the Latin American system. These tendencies will probably find expression in three latent factors that will be developed through political interaction within SELA.

### Decline of ideology

The brutal elimination of the constitutional Government of Chile in September 1973 coincided with the decline of ideological populism in both domestic and external policies. In a period of endemic "stagflation", governments were primarily concerned with maintaining and consolidating their power — and expanding it if possible. Symbolic messages about "Christian order" or "socialist revolution" were relegated to the background. This ideological truce facilitated the peaceful co-existence of such hostile regimes as those of Cuba and Brazil; like the OAS, SELA does not apply criteria of legitimacy to its members, other than their existence as states. This truce, accompanied by a freeze on various conflicts that can be explained as much by the relative extent to which the different armies are under-equipped as by the compulsory balance resulting from multipolarity, will, however, encourage the effects of diplomatic and economic domination. Creation of economic satellites, diplomatic neutralization and indirect intervention will precede military alliance and subordination.

*Tercermundismo*: this neologism serves to describe a common expression of passive solidarity (one that is more psy-

chological than political) in opposition to the Western industrialized nations. The rare active forms of this ambiguous solidarity involve the maintenance or increase of present inequalities between nations. The increase in credits to the Third World will, in the case of Latin America, favour the countries already having a sizeable industrial base, while the other countries will have to be satisfied with the sort of aid piously described as "humanitarian". *Tercermundismo* will have the effect of allowing the advantaged countries on the continent to practise a populist manipulation of their proletarian customer states in their attempts to exert pressure on the Western industrial countries to redefine the conditions of local industrialization, especially the lowering of tariff barriers in favour of manufactured goods from the Third World, an action that would only favour the medium- and large-scale producers — Mexico, Argentina and Brazil. Thanks to the broadening of humanitarian aid and the relative stabilization of raw material prices, proletarian states will obtain sufficient resources to ensure maintenance of their societies and their precarious internal balance in the absence of structural development.

### Free trade

The third factor is the revival of the Latin American Free Trade Association (LAFTA). In the name of continental solidarity, Mexican, Brazilian and Argentinian manufacturers will ask for free trade and unrestricted circulation of capital and goods. A whole series of problems related to LAFTA was again taken up in the discussions and statements made at the time SELA was established: lowering of tariffs and common customs policies; integrated enterprises; and transportation policy, among others. Everything happened as though Mexico had seen in SELA an excellent opportunity to rehabilitate LAFTA, which was making much slower progress than were the regional blocs. The latter, in order to develop, had to go alone in protecting their local markets; a too-liberal economic policy would pose a slightly greater threat to the regional agreements, which are at present in a state of political crisis. On the other hand, nationalist and local tendencies, which are more or less contained in regional groups in which technocratic officials inclined towards integration play a balancing role, will flourish within the loose institutions of SELA, where the different sectorial thematic discussions will save the various ministerial delegations from undue

*Governments  
concerned  
with maintaining  
their power*



cern over their geographic partners in local regroupings.

Whatever their rivalries, Mexico, Argentina and Brazil will find it easy to agree on encouraging these separatist tendencies that threaten the local alliances, which they have never assessed positively.

### Continental development

Does SELA, which threatens to offer a forum to forces hostile to regional development, also offer the hope of continental development? At this level, structural development could only be achieved through a "scenario" — smacking of pure fiction — that presupposes an independent political authority encouraging supranational and supraregional socialist or capitalist policies. Nor is it certain that such a "script" would promote a balanced development of the different sub-groups; on the contrary, it is clear that the present forms of continental "co-operation" run the risk of consolidating established situations and national development disparities. Until a unified Utopia is created, it is only through efforts towards regional integration that the following aims can be simultaneously achieved: a) weakening of external domination; b) increase in local investment through growth of intraregional trade;

c) planned division of industrial labour.

Inequalities in development are certainly not lacking in regional common markets, but none of them includes economic giants such as Brazil, Argentina or Mexico. The "little" countries in regional agreements have benefited from a division of industrial labour that opens up new possibilities to them that would have been unthinkable before the integrationist policies. The limited, but real, successes of heavy industry in the Andean Pact, and of light industry in the Central American Common Market, were achieved in opposition to the normative principles and the practical consequences of a liberal free-trade policy. Unfortunately, the embryonic common markets are still too fragile; if they are not threatened by actual break-up, stagnation and even the regression of the common policies are a constant danger to them, and only through rapid consolidation can discrepancies in development be reduced and a continental "dialogue" facilitated that is less unbalanced by the emergence of local sub-imperialist powers, eager contenders for the mantle of the United States. True, one may hope that the new dominant countries will neutralize each other, but this is not enough to make SELA an effective organization.

*Integration  
has opened up  
a division  
of labour*

We are going to study more deeply the role that Canada can play in relation to SELA, and President Perez was suggestive of some kind of relationship with that organization, and we are very anxious to follow that up, and already our officials are working on the exploration of that suggestion. That is as regards the general economic institutions. I would say that, as regards the political relationships, well, I think that we have, in effect, established a bridge between our traditional relations with the Commonwealth countries of the Caribbean and the Latin American ones. This is new for us — in a sense it may even be new for the countries that we have visited. They are apparently working towards, struggling towards, some kind of regionalism in the Caribbean and then the larger regionalism with Latin America. By their exchanges with me it was quite evident that they are anxious to (I wouldn't say use us as a bridge but) use our knowledge of the other

side and our desire and ability to have relations with the other side and with the Latin American side as a "natural". Every leader that I talked to seems anxious to draw Canada into this regionalism, either as part of it or as having relations with it. Part of that may be due also to their desire, which is very analogous to ours, to create counterweights to the very strong presence of the United States, and they see Canada as a country which has very good relations with the United States and a country which, notwithstanding, wants to maintain its independence from the United States. And this to them fortifies the kind of dialogue that the area wants to have with us and with the United States.

*Extract from a statement by Prime Minister Trudeau at a press conference in Caracas, Venezuela, on February 2, 1976.*

# Twelve months after Helsinki a debate rages over détente

By Stanislav J. Kirschbaum

In his opening address to the twenty-fifth Congress of the Communist Party of the Soviet Union on February 24, 1976, General Secretary Leonid Brezhnev expressed his satisfaction with the success of Soviet foreign policy, the key word of which had been *détente*. A few days later, on March 1, the writer Alexander Solzhenitsyn stated in front of British Broadcasting Corporation cameras that, while the strengthening of *détente* meant a warmer political climate for the West, for the Soviet people it indicated a tightening of totalitarianism. He went on to say that he feared the West was on the verge of collapse. President Ford, in a campaign speech the same day, announced that the word *détente* was no longer part of the vocabulary of American foreign policy.

Thus, in the space of a week, the world heard contradictory statements about the use, the meaning and the consequences of the policy of *détente*. There was no noticeable deterioration in the international atmosphere as a result, nor did relations between the two super-powers take any new turn. Nonetheless, the situation demonstrates the existence of a dilemma concerning the meaning of *détente*, especially in the West, where for years a debate has been raging that could influence the future direction of international relations. At the heart of the debate is the very definition of the notion of *détente*.

## Soviet definition

Curious as it may seem, the Soviets have not changed their definition of *détente* since this conception replaced that of the Cold War. Their version first began to

emerge at the twentieth Congress of the Communist Party of the Soviet Union in 1956, when Nikita Khrushchov introduced the policy of "peaceful coexistence", with the principal goal of at least minimizing, not avoiding, actions on either side that might provoke an armed conflict between the two super-powers. In addition, while he believed firmly in the inevitable victory of socialism, Khrushchov recognized the utility of contacts with the West, especially cultural and economic ones. The Communist world could only benefit, since history must follow its inevitable course. The Cuban crisis of 1962 not only confirmed the validity of this policy but made it unavoidable; in signing the Final Act resulting from the Helsinki conference of 1973-75, Khrushchov's successors made it official.

Brezhnev and Kosygin added a few nuances to the peaceful-coexistence policy, however, and for this reason changed its name to *détente*. Like their predecessors they accepted the necessity of avoiding any direct confrontation, and therefore emphasized the need for settling all differences or conflicts by peaceful means except that, whereas Khrushchov had insisted on a climate of competition between the two systems, especially in economic matters, with victory by the Communist world inevitable, Brezhnev and his colleagues preached the continuation or even the intensification of the struggle between the two systems by all means short of war. Thus Brezhnev could declare at the twenty-fifth Congress that *détente* "in no way eliminated and could not abolish or change the rules of class warfare". In fact, the era of *détente* should "create increasingly favourable conditions for peaceful socialist and Communist construction".

It is this conception of *détente* that has dominated Communist writing since the publication in 1967 of the revised edition of V. I. Lenin on *Peaceful Coexistence*. In contrast to the 1963 edition published under Khrushchov, which

*Contradictory  
statements  
about détente*

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ured competition between the two systems, the 1967 edition defines peaceful existence as a specific form of class warfare. Since then, all Communist writing, whether Soviet or East European, has emphasized two basic points. First, *détente* is limited to relations between states. Second, it has nothing to do with ideology; on the contrary, *détente* signifies the intensification of the ideological struggle.

This need to insist on the ideological struggle arises from the Soviet assessment of the international situation during the last decade. As A. Sovietov wrote in the Soviet journal *International Affairs* (September 1972): "The change in the balance of strength between the two systems is decisive. It includes a general strengthening of the international positions of the socialist countries...". One year later, A. Arbatov, director of the Institute of the United States of America, Soviet Academy of Sciences, wrote in *Kommunist* (Number 3, 1973) that a shift in the balance of power towards imperialism would bring not relaxation but rather an increase in tension. The ideological struggle thus constitutes an assurance that *détente* will be maintained and, more important, will lead to the triumph of socialism.

Clearly, this is a limiting definition of *détente*. Moreover, while offering very little to the West, it allows the U.S.S.R. and other socialist countries to use any means short of war. In the final analysis *détente*, for the Communists, is the maintenance of contacts and links with the West only in far as there is no interference by the West in the internal affairs of socialist countries. However the Helsinki Final Act, signed by the U.S.S.R. stipulates the free exchange of ideas. It is the Soviet refusal to accept this condition of *détente* that has provoked a large section of public opinion in the West to question the validity of the present policy of *détente*.

### Inevitable and necessary

In the West as in the Communist world, the passage from Cold War to *détente* has largely been seen as inevitable and necessary. The Helsinki Conference and the signing of the Final Act confirmed the rejection of nuclear warfare, as well as the advent of new East-West relations. As soon as it was clear, however, that the Soviets had their own conception and interpretation of *détente*, a debate began in the West, not only over the definition of the word but also on the value of East-West relations.

Two factors are basic to this debate. The first is the West's distrust of the U.S.S.R. since the Second World War —

deepened during the Fifties and Sixties by several events in Eastern Europe that involved Soviet intervention in the internal affairs of a socialist state. The second is the promise of the Helsinki Conference for the future of East-West relations.

The confusion felt by many Western observers comes from the fact that the Helsinki Conference did not appear to be endorsing this new policy but rather marking its end. In an article in *Etudes Internationales* (Nos 3 and 4, 1974), Daniel Colard stated that *détente* had passed through two stages: "In the first stage [1963-1968], *détente* was an element of security; it was identified with active peaceful coexistence between the two super-powers, which sanctioned nuclear bipolarity, forbade proliferation and closed the nuclear club.... In its second stage [1968-1973], *détente* spread, but took on a number of different forms. In spreading, it diversified and touched every area: strategy, economics, technology, politics, culture, human rights." Since Helsinki, however, the Soviets, instead of broadening these areas, have narrowed them and by their actions have again brought into question what appeared to be a movement towards greater international stability.

In the West, therefore, the debate hinges on the question of whether the policy of *détente* is not benefiting the Communist countries at the expense of the West. Do not the relations and the trade growing out of *détente* further a system that devotes its existence to the downfall of the Western democratic states?

### Transformation seen

Samuel Pizar represents those who think that *détente* will not lead to the destruction of the West but will, on the contrary, through its economic and commercial side effects, bring about the transformation of the Soviet system. In his two books, *Les Armes de la paix: L'ouverture économique vers l'Est* (1970) and *Coexistence and Commerce* (1972), he calls for the creation of a code governing East-West transactions, so that economic relations may realize their full potential for the future. He adds: "When trade between East and West has spread to these sensitive areas [of science and technology], it will not be able to help exercising a liberating influence on the Communist societies and their institutions . . . , for no lasting economic progress is possible while minds are not free."

Pizar's theory of the inevitable liberalization of Communist regimes through East-West relations was the subject of a round-table discussion in the journal

*Debate hinges  
on question  
of who benefits*

*Esprit* (No 429) in 1973. Only Hélène Carrère d'Encausse dared to suggest that, even if at first they brought about a tightening of control in the U.S.S.R., exchanges between East and West would eventually have to give impetus to liberalization between the governing and the governed, and to economic rationalization as well. The other participants were not greatly disposed to accept this hypothesis and one of them, Hélène Zamoyska, pointed out that it was "dangerous to mistake one's own desires for reality".

### Grave doubts

It must be said, however, that a large number of Western observers have expressed grave doubts concerning the possibility of a transformation in the Communist societies. In the policy of *détente* they discern not the conditions for international stability but serious danger to Western society. According to Robert Conquest and the other authors of an article on *détente* in *Survey* (No 2/3, 1974), the Soviets consider the *détente* policy as a change in methods that should lead to a shift in the world balance of power in favour of the Soviet Union and the socialist countries. They add that "this shift... will permit the Soviet Union to achieve further expansion without recourse to general war, largely by the use of methods of internal subversion and external intimidation". Nor do they see why Soviet trade policy should be incompatible with internal conservatism: "Indeed, this double-pronged economic strategy is an alternative to domestic economic reform, which the Soviet leaders feared might jeopardize the stability of existing Soviet institutions and generate political strife." Thus they agree that it is in discussing trade agreements between East and West that the Western arguments most lacking in critical discernment make their appearance. What makes the Soviet attempts at the cultural exploitation of *détente* possible, they emphasize, is the lack of political understanding of the phenomenon in the West. For this reason, their conclusion is clear and distinct: "*Détente* cannot be based on illusions. It must be a two-way street. The Soviet Union must contribute to it by giving some indication that it does not intend cynically to exploit it as an opportunity to improve its ability to subvert and destroy the West. *Détente* will not be genuine as long as 'peaceful coexistence' is for the Soviet leaders only a euphemism for a conflict by all means short of war."

The lack of understanding of the true meaning of *détente* on the part of the West

is also the theme of a collection of articles prepared by Foy D. Kohler and his colleagues at the Center for Advanced International Studies at the University of Miami, published in 1973, entitled *Soviet Strategy for the Seventies*. This work presents more than 300 documents dealing with the Soviet position in the politics of *détente*. The analysis, which is one of the most detailed on the conception and policy of peaceful coexistence, shows to what extent and in what fields the Soviet leadership believes that *détente* has provided it with a limitless strategy for overcoming its mortal enemy the West. The current Soviet definition of peaceful coexistence is, in fact, a reworking of the old Western definition of the Cold War. The Soviets, however, counter this argument by simply using a double standard of evaluation.

Kohler and his colleagues recognize the need for understanding between East and West in order to avoid nuclear war or any conflict that could lead to it. Nevertheless, they emphasize how necessary it is for the United States to adopt a realistic policy that could eventually give *détente* some positive substance: "But, as the first step to this end, it would seem essential that we understand, and make it clear that we understand, the nature and implications of present Soviet interpretations."

### Appeal to realism

This appeal to political realism has also appeared in the writings of Lev E. Dobriensky of Georgetown University. Dobriensky, however, is more radical in his analysis than his colleagues; he believes that the Cold War is still going on and he suggests that the West could work out a policy that would thwart Soviet power. In his book *The Vulnerable Russians* published in 1967, Dobriensky examines the sensitive areas in the Soviet political system and proposes ways for the United States to exploit them successfully to keep the U.S.S.R. in check. In a second book *The U.S.A. and the Soviet Myth*, published in 1971, he reiterates the appeal. The Soviet system is a system that holds 125 million non-Russians captive; the United States must not miss any opportunity to obtain major concessions from the Soviets towards these nations. It is in the field of trade that the author sees the greatest possibility for achieving such goal; all trade agreements must be accompanied by a political concession from the Kremlin. According to Dobriensky, Washington, using this kind of policy, could pay the Soviets in their own coinage. In contrast to current American policy, this new

*Détente seen  
by Soviets  
as a change  
in methods*



policy would at least have the merit of being consistent.

What emerges from this debate in the West, which is being carried on as much in the general press as in specialized journals such as *Foreign Affairs*, *Orbis* and *Les Temps Modernes*, is the acceptance of the necessity of avoiding war between the two super-powers. The question is how to go about it. Between the two extremes discussed above, there are a number of observers, like George Kennan, who accept the existence of areas of incompatibility between the two systems but who also recognize certain areas of mutual interest of which they feel advantage should be taken. However, it is the areas of incompatibility that not only fuel the debate but determine the policies of the two super-powers.

For the Soviet Union, the differences are irreconcilable, and must be exploited to the advantage of the socialist camp. From the Soviet viewpoint, the real object of *détente* is to create a favourable climate for the growth of the socialist camp and the decline of those Moscow calls imperialists. Thus, any interference in the internal affairs of a socialist state is forbidden and no compromises, even if favourable to themselves, can be tolerated. Only in the fields of trade and the settlement of conflicts can the possibility of agreement with the West be admitted. Such is the Soviet policy of *détente*.

### Acceptable definition

In the West, on the other hand, the problem is not only to decide whether this policy is acceptable but, more important, to determine if *détente* can be defined in such a way. A one-way definition like that of the Soviet Union is hardly acceptable in Western thinking. As Raymond Aron said in his book on American foreign policy, *The Imperial Republic* (1973): "The economic and political aspects of the general purpose of American diplomacy are inseparable because this purpose is by definition freedom of access, a notion which encompasses the exchange of ideas, investments and goods." Rather than aggravate existing differences, a policy of *détente* must ensure a freedom of access. The American definition thus implies respect for the West on the part of the Commu-

nists and, in the final analysis, a degree of modification of Soviet policy — for the debate in the West hinges not only on the Soviet policy but also on the reasons for the Soviet refusal to accept the American definition. What many Western observers find is that the Soviets wish to benefit from exchanges of trade and technology only in order to be able to strengthen the Communist world and, eventually, overthrow the West. These observers are not convinced that, as some would have it, the economic and technological exchanges with the West resulting from the Soviet policy of *détente* are beneficial to the West or, in the long run, justify acceptance of that policy. They fear the advantages the Communist societies could derive from the West and the resultant consequences for the democratic system. Finally, they fear that this might lead to the eventual worsening of international relations.

There can be no doubt that neither the Soviets nor the Americans want to return to the status quo that prevailed before *détente*. The need for relations between the two sides is taken for granted.

That is the reason why the Soviets have adopted a policy of *détente* and why the Communist world is pursuing it determinedly. It is not surprising, then, that Brezhnev expressed his satisfaction with Soviet foreign policy in this period of *détente*, especially after the Communist victories in Indochina and Angola. The West, in contrast, is in the throes of a debate over *détente*, and it is not surprising, therefore, that President Ford has abandoned the word, even if only for campaign purposes. This, however, does nothing to settle the debate.

Notwithstanding the contradictory opinions, the debate in the West is really nothing but a reflex reaction to the continuing struggle between the two systems and a manifestation of the West's desire not to lose ground to the Communists. In order to succeed, however, Western policy must reflect the confidence the peoples of the West have in their own system and its ability not only to contain Soviet policy but to overcome it. In the final analysis, is that not what is at stake for the West in *détente*? Is it not the meaning of Alexander Solzhenitsyn's warning?

*Neither Soviets  
nor Americans  
want return  
to status quo*

# Public attitudes towards foreign policy issues

## *Some recent trends*

By Lawrence LeDuc and J. Alex Murray

Since the publication in 1972 of Mitchell Sharp's paper "Canada-U.S. Relations: Options for the Future" as a special issue of *International Perspectives*, there has been considerable public and private discussion of the long-term direction of Canada's foreign policy, particularly with regard to its relations with the United States. Recent developments in Canada regarding foreign-investment review procedures of trade and energy policy have served to keep sensitive areas of Canada-U.S. relations in more or less constant public view. Since the "Third Option" in Canadian foreign policy has been embraced as official Government policy, a new era in Canada's relations with the United States appears to be slowly emerging.

It is difficult to determine exactly what role public opinion has played in these developments. To be sure, public opinion in the area of foreign affairs frequently tends to follow rather than precede the formulation of policy. This certainly appears to have been the case with regard to the development and discussion of the Third Option strategy. On the other hand, shifts in foreign policy, as in other areas of public policy in a democratic society, are frequently the product of more subtle changes in public "moods" that may develop over a period. Interestingly enough, Mr. MacEachen referred quite explicitly to the climate of public opinion as part of the rationale for the Third Option in his January 1975 speech in Winnipeg, when he stated:

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*Lawrence LeDuc and J. Alex Murray are respectively Associate Professor of Political Science and Professor of Business Administration at the University of Windsor, Ontario. The authors are indebted to Professor Terence A. Keenleyside of the University of Windsor for his helpful comments on an earlier version of this article. The views expressed are those of the authors.*

This new feeling of being Canadian is reflected sharply in the economic field. The issue is our economic independence. I have already cited figures showing the degree to which we are dependent on the United States in trade and investment. A cross-section of various polls taken in 1972 indicated that 88.5 per cent of Canadians thought it important to have more control over our economy and that two out of every three Canadians considered the then level of American investment as too high.

Conscious of this generally-perceived link between the climate of public opinion on these issues and the development of new directions in Canadian foreign policy, we have sought to measure recent trends in public opinion with regard to economic nationalism and some specific implications of the conception of foreign policy "options" with the assistance of data from a series of annual public opinion surveys based on national samples of 5,000 respondents (*see box at end of article*).

### **Climate of nationalism**

Our surveys, with those of CIPO (Gallup) and other organizations, have unmistakably documented the growing climate of nationalism in Canada in recent years, particularly with regard to economic matters. For example, Gallup found that the percentage of Canadians who felt that there was "too much U.S. influence in the Canadian way of life" rose from 29 per cent in 1956 to 58 per cent in 1974. More specifically, in the area of economic policy, our own surveys have found that the proportion of the population that felt that U.S. investment in Canada was, in general "a bad thing" increased from 36 per cent in 1969 to a high of 55 per cent in 1973-74. While this statistic levelled off slightly in the most recent (1974-75) survey, it remained at a high level of 51 per cent of the total population.

In view of these fairly consistent findings, Mr. MacEachen's suggestion of a link between the evolution of the Third

*Public opinion tends to follow formulation of foreign policy*



tion policy and the growing climate of economic nationalism is not surprising. We could not expect, however, that the contribution of public opinion to the continuing debate regarding foreign-policy options would range much beyond this general sense of "climate" or "mood" until such time as the shift in emphasis of Canadian foreign policy became more deeply embedded in the public consciousness. Nevertheless, it may be argued that, in the past year or two, the broader public attention accorded foreign-policy issues has begun to have its effect in the development of a more genuine body of opinion.

Accordingly, we attempted to measure for the first time public predispositions towards the direction implied by each of the three foreign-policy options originally set out by Mr. Sharp by including a question on this subject in our 1973-74 national survey. The question was repeated in the 1974-75 survey, with several more-specific items in the area of foreign policy and a sequence of questions we have used for several years to test general public attitudes towards foreign investment. It was desirable to measure as accurately as possible the direction of public attitudes towards key elements of each of the three foreign-policy options as they were first proposed. We therefore employed a survey question modelled on Mr. Sharp's summary of the options, but in a form that attempted to present three equally-attractive alternatives. (Some critics of the Sharp paper have argued that the options were presented in such a way as to pre-judge the choice of Option Three). While it is not always possible to achieve complete neutrality in survey questions, care must be taken to present alternatives to the respondent in as unbiased a way as possible. The form of the questions employed in the 1973-74 and 1974-75 surveys is:

It has been suggested that Canada has three long-term options that should be seriously considered as an industrial strategy. First, Canada can seek to maintain its present relationship with the U.S. with no policy adjustments; second, Canada can move toward closer integration with the U.S.; or, third, Canada can seek a stronger relationship with Europe and/or Asia. Which of the above three do you feel would be most advantageous to Canada's long-term well being?

The national cross-section sample to answer this question was first put in the 1973-74 survey revealed the largest proportion of the population (42 per cent) favouring the first of these options, which,

for the sake of brevity, we refer to from now on as the "stay-as-we-are" option. By comparison, the Third Option was supported by only 30 per cent of the survey respondents. Of those surveyed, 18 per cent favoured the choice of moving Canada closer to the United States, while the balance of the respondents (10 per cent) expressed no opinion. When a new survey was conducted in the following year (1974-75), a nearly-identical distribution of opinion was obtained. As the Third Option policy has moved more distinctly into the public arena over the past year, public opinion does not appear to have shifted perceptibly in the direction of support for the new posture in foreign policy.

### **"Stay as we are"**

When the sample of the population surveyed is broken down into its component socio-economic sub-groups, support for a shift in the direction of Canadian foreign policy does not vary appreciably from the levels cited for the population as a whole within any particular group. The Third Option does, however, tend to be slightly more popular among men, persons under 30 and urban-dwellers than it is among the opposite population sub-groups. It should be emphasized, however, that in no group does support for the Third Option exceed that for the "first" ("stay as we are") option.

Similarly, a breakdown of the data by region discloses only relatively modest variations between sections of the country, although some significant shifts of opinion between the 1973-74 and 1974-75 surveys are found in two provinces — Quebec and British Columbia. The pattern runs in opposite directions in these two areas, support for the Third Option having declined in British Columbia at the same time it has increased in Quebec. At the time of the first survey, British Columbia had been the only province in which the Third Option was more popular than either of the alternatives tested. But, in the most recent survey, support for the Third Option in that province declined to 34 per cent (from 41 per cent in the 1973-74 survey), while support for the status quo in foreign policy remained constant (36 per cent). There is at present no province in which the Third Option commands more public support than alternative policies.

To some extent, this finding seems to be at odds with our findings regarding the increasing climate of nationalism in Canada over the past five years. Certainly, diversification of trade and investment is seen by many as one of several alternative

*Regional breakdown discloses only modest variations*

*Tendency  
to favour  
narrowly-focused  
solutions*

means of countering some of the effects of U.S. influence in Canada, and there is no doubt that the public has in recent years evinced considerable concern over the specific issue of U.S. investment. Our data do indeed show some relation between attitudes toward the foreign-investment issue and support for the Third Option, but it must be emphasized that expressed concern over the level of foreign investment does not in itself seem to imply support for more sweeping new directions in foreign policy. Indeed, among the respondents who express most concern about U.S. investment in Canada, there is a tendency to favour more direct and narrowly-focused solutions, such as regulation of investment, review procedures, support for Canadian business, etc., rather than larger-scale changes in foreign and trade policy. While public support does exist for new government initiatives in some specific areas, the public mood with regard to the broader issues of foreign policy is more static and cautious.

Further evidence of this mixed pattern is seen in attitudes towards some other distinct, but nevertheless related, foreign-policy and foreign-trade issues — trade pacts, for example, such as the Auto Pact, or Canadian participation in the United Nations peacekeeping operations. In both these rather more specific instances, public opinion displays a pattern similar to that associated with the Third Option, with the largest part of the national sample supporting the status quo, and approximately a third of the respondents indicating some willingness to move in new and non-traditional directions.

### **Public support**

In general, the surveys tend to show that extensive public support for new directions in Canadian foreign policy, including the Third Option, has not yet developed and that there appears to be no significant shift away from traditional positions on a number of foreign-policy and foreign-trade issues. On the other hand, our data clearly indicate that the generally more nationalistic mood of Canadians in recent years is not a transient phenomenon. Over the past

*Data in this article were obtained from a series of national public opinion surveys conducted annually by Elliott Research Corporation in co-operation with the International Business Studies Research Unit at the University of Windsor. Like all estimates based on sample surveys, figures cited here are subject to a degree of sampling error. Small differences between percentages in particular should be treated with caution. Further information regarding the surveys and copies of reports providing technical information and/or more detailed discussion of findings cited here may be obtained from:*

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five years, the surveys have measured the evolution of support by a majority of Canadians for policies designed to assure greater control of their own future, particularly in the sensitive areas of trade and investment. Still, foreign trade and investment policies and other issues related to foreign policy do not rank high on a list of problems facing the country today, at least as viewed by the public at large.

For most Canadians, economic problems remain the first order of business on the public agenda. To date, the more nationalistic public mood that has developed has not been accompanied by widespread public demand for changes in existing foreign and trade policies. Certainly, Government commitment to the Third Option may eventually "lead" public opinion in new directions, but our evidence suggests that the present public mood in this area has thus far been resistant to such change. Even while the Third Option has been adopted as Government policy ostensibly in response to a changing national climate, much of the public appears as yet unconvinced that it represents the best of the original alternatives.



# Oglesby's *Gringos* – engaging and lively

by Arthur Blanchette

*Gringos From the Far North* by Jack Oglesby, professor of Latin American history at the University of Western Ontario, is an engaging book, written in a lively style, which sustains the reader's attention throughout. It is well-researched and full of interesting and useful information about Canadian relations with Latin America. The insights it offers into Canadian attitudes – all too frequently paternalistic – towards Latin America are particularly perceptive. In short, it is a valuable book based on wide knowledge of Latin America and extensive travelling there.

It is not a full study of Canada's relations with Latin America, nor does Dr. Oglesby claim that it is. It does not, for instance, deal with Canada's relations with the OAS and the inter-American system as such, though it does touch on them as aspects of Canadian/Latin American affairs in other contexts – e.g., as part of Canada's diplomatic representation in the Americas. It does not cover Canadian ties with all the republics south of the Rio Grande, or certain recent developments such as Canada's aid program. It is to be hoped that Dr. Oglesby will give us the benefit of his knowledge and his conclusions about these and other aspects of Canada's relations with Latin America soon. A deeper analysis of trading patterns, for instance, now touched upon only briefly, as in the book's conclusion, and of Canada's relations with the inter-American system, especially in recent years, would be particularly welcome.

In general, however, *Gringos From the Far North* provides a pretty full picture of Canada's main activities throughout Latin America during the 102-year period from 1866 to 1968. It does so in a series of 11 chapters dealing with the most important and sustained of Canada's ventures in that vast and populous region.

The year 1866 was chosen as the start-point because it was in that year that the first large-scale trade and goodwill mission from Canada visited Latin America – a

recurring feature of Canada's approach to that area. The year 1968 was chosen to end the account partly because it was then that the greatest of the Canadian Government's missions to Latin America took place and partly because it was a turning-point in Canada's relations with Latin America. The report made by the mission and the impressions it gained during the trip are reflected in *Latin America*, one of the six booklets published in 1970 by the Federal Government under the series title *Foreign Policy for Canadians*.

Apart from one essay (Chapter 2), aptly entitled "The Belle of the Ball", on Canada's diplomatic relations with Latin America from 1940 to 1946, when several Latin American countries were seeking to persuade Canada to establish diplomatic relations with them and to join the Pan-American Union (as the OAS was then called), the bulk of the book deals with Canada's business and missionary activities in the area. This is not surprising – investments and missionary work were the mainstay of Canada's relations with Latin America during the last century.

Chapter 4, "Business, Banking and Related Activities", the longest in the book, provides – with Chapter 5, on Canadian investments in Brazil, notably Brazilian Traction (now Brascan) – comprehensive and detailed coverage of the important investment side of Canada's links with Latin America.

## Religious missions

The last five chapters deal with various Canadian religious ventures in Latin America. Professor Oglesby's analyses of the problems to be faced there in this

*Missionary activities and business predominate*

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context, the frame of mind required to adapt to and to overcome them, display remarkable insight and understanding. *Gringos From the Far North* should be required reading not only for all Canadian missionaries (and businessmen also) going to Latin America but for all foreign service personnel, who in their own way should be missionaries for Canada.

A well-structured appendix embodying the text of a report entitled "The Extent, Focus, and Changes of Canadian Public Interest in Latin America", which Professor Ogelsby was commissioned to undertake for the Department of External Affairs in 1967, rounds out the book effectively. It includes a useful comparative study (Pages 328-331) of French-speaking and English-speaking Canadian attitudes

towards Latin America. A discerning comparative study of the adaptability to Latin America of French-speaking and English-speaking Canadian Catholic missionaries is also to be found in Chapter 8 (Pages 204-206).

If there is a general lesson to be drawn from Dr. Ogelsby's book, it is that Canada's most successful ventures in Latin America, whether commercial, religious or other, have been conducted by men and women who made an effort to adapt to the local society, who learnt its language and had a genuine understanding of and interest in its problems, needs and aspirations.

Ogelsby, J. C. M., *Gringos From the Far North*, Toronto, Macmillan, 1976.

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## Letter to the Editor

### India...

Sir,

Reference David Van Praagh's article "Change in Asia as eras end offers hope through realism" in the March/April 1976 number of *International Perspectives*.

The eminent Southeast Asian expert is accurate neither in his facts nor in his prophecies. For example, he says: "Japan will not ratify the nuclear non-proliferation treaty in the foreseeable future." Japan has, of course, ratified the treaty.

The Army in India has always remained aloof from politics. Nevertheless, as long ago as 1967, in a number of despatches, Mr. Van Praagh predicted an Army *coup* in India and now suggests that a bad monsoon might bring this on. India has had successive droughts in 1965-66, 1966-67 and again in 1972-73 and 1973-74, but the predictions have happily been belied. It is extraordinary, therefore, that not only are these prophecies repeated but the author suggests that Army intervention is one possible salvation for India; so much for his dedication to democracy. Then a fantastic panacea is advocated by him: fragmentation of the country with various states becoming independent. This shows not merely an utter disregard of Indian background and history but also a deliberate ignoring of economic and geographical realities; it is like suggesting that, because there is a linguistic problem in Canada and differences between provinces and the Federal Government on some issues, Canada should be carved up into a dozen separate states. Would either a congeries of independent states in India or Canada be viable economically or strategically and, even less, serve the cause of peace?

No constitution is immutable, and experience showed that certain aspects of the Indian Constitution needed amendments to bring about badly-needed and long-delayed changes. These do not constitute a destruction of democracy or the Constitution, which Prime Minister Gandhi has said is basically sound. There is no erosion of democracy in India, but merely an evolution that is universal and applicable even to developed countries with so-called ancient traditions of liberal democracy. Addressing the Twenty first Commonwealth Parliamentary Conference in Delhi last October, the Prime Minister said: "In the last 25 years we have withstood more than one military challenge economic crisis and threat of secession. Our five general elections have demonstrated the value of the free vote and the maturity of our electorate (which, in the 1971 Parliamentary election, numbered 274 million). The people have voted for secularism even though



was believed and propagated that Indian politics were dominated by religious factions and sentiments. They have rejected appeals of the extreme right and of the extreme left, reactionaries and of ultra-revolutionaries, and have supported the democratic middle path to socialist development."

The author comments: "In India it is now clear that political democracy could not work without commensurate spread of the fruits of economic progress to ordinary, poor Indians." It is precisely because of this that, under the emergency, a variety of radical measures have recently been undertaken by way of land reforms, distribution of land to the landless, the abolition of bonded labour and a comprehensive and radical population policy. Such measures had been planned before, but certain provisions within the Constitution and judicial processes were such that these measures could not be implemented. Effective steps have now been taken to amend the Constitution by a popularly-elected Parliament. This does not mean the death of democracy in India since with the federal and most of the state parliaments are functioning. The Prime Minister has repeatedly stated that the Indian Constitution is basically sound but democracy an evolutionary process and the Constitution must march in step.

While mentioning the setback to the Congress Party in the general elections of 1967, the author ignores the fact that Mrs. Gandhi adopted certain radical policies which led to a split in the Congress Party and that she won the 1971 general elections by an overwhelming majority both in the Federal Legislature (the Congress Party has a two-thirds majority) and most of the Indian states. Elections in India have been postponed, as provided for under the Constitution, in order to consolidate the gains under the emergency, and not even the unfriendliest foreign critic has suggested that machine-guns have been brought out, and hundreds of Commonwealth parliamentarians who visited India late last year are witness to the fact that there was no evidence of the Army in the streets nor of any extraordinary police presence.

India is one of the few countries in the world that have within two years brought down inflation from 34 per cent to below zero, and it has been freely acknowledged that prices have come down. A press release issued by the World Bank after the India Consortium meeting in Paris last month stated: "The members of the Consortium commended the Government of India for the measures taken to improve economic performance during 1975-76, when agricultural production had reached record level, power shortages had been largely overcome, export volume had increased by 8 per cent in an environment of declining world trade, monetary stability had been maintained and the output of most public-sector enterprises — particularly coal, steel, fertilizers — had improved significantly." Since the emergency, black-marketeers have been severely dealt with, as also hundreds of corrupt officials.

In India last year, politicians of varying hues openly expressed their intention to overthrow a popularly elected Government by force and called upon the armed forces and other Government bodies to disobey Government orders. Their arrest was, therefore, inevitable, but many have since been released.

Van Praagh accuses India of wanting to become a super-global power; this apparently a sin for an underdeveloped country but a virtue for those already developed into super-powers". However, the Prime Minister of India has repeatedly stated that India has no desire to become a "power" or "super-power". India does *not* have a nuclear bomb, but it has to take measures to maintain sufficient armed strength to protect its territorial integrity, which the author would like to see destroyed.

The author's perceptions of India's foreign policy are equally uninformed. India's relations with Iran are excellent and there is growing economic co-operation and collaboration between the two countries. Relations between the two are marked not by rivalry but a desire for mutual help and progress; the Shah of Iran and his Prime Minister have testified to this.

The author refers to a non-existent "desperate Hindu nationalism in North and East India", which poses a threat to Bangladesh. India's record of help bears out its goodwill towards this new country and India is more than willing to collaborate with Bangladesh and other neighbouring countries and solve mutual problems through bilateral negotiations.

The dangers to India, the subcontinent and Asia would, in fact, arise if the prescriptions suggested by the author were applied.

U. S. Bajpai  
High Commissioner for India  
Ottawa

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## **Publications of the Department for External Affairs**

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No. 18 (March 9, 1976) Passport fee increase.

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No. 20 (March 11, 1976) Canada-U.S. meeting in Ottawa on proposed Cabin Creek mining development.

No. 21 (March 12, 1976) Canadian delegation to fourth session of Law of the Sea Conference, New York.

No. 22 (March 12, 1976) Canada-Portugal fisheries agreement.

No. 23 (March 19, 1976) Visit of Dr. Manuel Pérez-Guerrero.

No. 24 (March 22, 1976) Ratification of Canada/United States extradition treaty.

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No. 27 (March 30, 1976) United States/Canada co-operation in space applications.

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No. 30 (April 21, 1976) Toronto Workshop tour of Britain and the Netherlands.

No. 32 (April 22, 1976) Extension of Canada-U.S. reciprocal fisheries agreement.

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No. 34 (April 26, 1976) Fourth Student Commonwealth Conference.

No. 39 (April 28, 1976) Signing of terms of reference of External Affairs Joint Council.

No. 40 (April 28, 1976) Visit of Minister of Foreign Affairs and Co-operation of Benin — joint communiqué.

No. 42 (April 29, 1976) Canadian delegation to *Habitat*.





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July/August 1976

# International Perspectives

journal of opinion on world affairs

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Word Home on Africa

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# International Perspectives

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July/August 1976

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# Africa: time is running out and wisdom is in short supply

*The former British colonies*

by Lord Home

Anyone who is invited to speak or write about "Africa" should resist the temptation, for any generalization about that continent would be as wide of the mark as it would be if one were referring to Europe.

The North, given a semblance of coherence by the Moslem religion — the West, which for centuries attracted the traders of the Mediterranean and of Europe, far more advanced than the East — the Centre, once colonized by Britain, France and Europe, showing signs of reversion to tribalism — the South, dominated by South African policies, and the divisive political issue of *apartheid*. There is only one generalization that is valid, and that was spoken by the late Chou En-lai, when, in leaving the continent a few years ago, he said: "Africa is ripe for revolution".

There is, unhappily, one large power that is ready to stir the pot of trouble. The U.S.S.R. is arming Libya as a threat to Egypt; it is also sending arms and equipment into Algeria with a view to making things hot for Morocco. There is a Government in Nigeria that is infected with Communism, and in command of a well-trained army. The Soviet Union has used Cubans to take advantage of civil strife in Angola, and is helping Mozambique to organize trouble for Rhodesia.

## **Little consolidation**

Few of the countries in Africa that were once under colonial rule have had time to consolidate law and order, and many of them have not had the competence to do so. Two — Zaire and Zambia, which have

recently shown some signs of stability — now find Communist forces sitting across their lines of communication. Kenya, which has so far been a model for tolerance between the races, and for law and order, has largely relied upon the authority of one man, whose tenure of the Presidency must, in the nature of things, come to an end before long.

Chou En-lai was, unhappily, right. Africa is "ripe for revolution", and the basically tribal organization of the central belt bodes ill for the future. It may be that the Organization of African Unity will be able to preserve some shell of unity; but one cannot avoid apprehension for the future. With the examples of Burundi and Uganda, elementary savagery is in the air.

Until the interference by the U.S.S.R. in Angola and the expectation that the Soviet leaders would try to mobilize Mozambique for guerilla warfare against Rhodesia, it was Southern Africa that showed the most coherence. It is true that law and order was dictated by white minorities in South Africa and Rhodesia, but economically the advance was impressive and politically the minority was not seriously challenged.

But even in these prospering countries the seeds of trouble have been present for a long time. In Rhodesia the proportion of Africans to Europeans is 14 to one. In South Africa the proportion is three to one, with the added complication of a "coloured" section of the community. For both countries — for Rhodesia urgently and for South Africa less urgently — the question was posed whether political power was to be shared and, if so, in what time-scale it should and could be done?

## **Colonial policy**

It is necessary at this point to pause and to recall the nature and purpose of British colonial policy. From the start, the native peoples were trained in the arts of administration and government, so that the ultimate solution of self-government and independence was inevitable.

*Perhaps OAU  
will be able  
to preserve  
shell of unity*

---

Lord Home of The Hirsels was Prime Minister of Britain from October 1963 to October 1964 and then Leader of the Opposition until July 1965. He has also held the portfolios of foreign and commonwealth affairs in different British Governments and has thus had particular responsibility for Africa and Rhodesia. The views expressed here are those of Lord Home.

In the end, because of two world wars, and the fact that Communism allied itself to "freedom", the change from direct rule had to be made faster than one would have wished.

Democracy is a complicated matter of checks and balances, and of minority rights, and the African countries in particular had not absorbed the tolerances that are necessary to make the system work at the time when the transfer of power had to be made.

Agitation for independence had created a situation in which the colonizing powers had to choose between continuing rule by force and the risk of giving home rule that was premature. In the event, the actual physical transition in the case of Britain was peaceful. The Union Jack was hauled down, and the national flags were substituted with honour and with rejoicing.

There was one feature in the process that was common to each individual transfer of power. With only one exception, we handed over our authority to governments that were drawn from the majority of the population. The single case to the contrary was South Africa at an earlier date. It was a natural thing to do at the time. The white population, composed of people of Dutch and British descent, had pioneered the development of the country and had made it rich and influential. They had also, in a sense, won the right to self-government and independence from the British by their conduct of the Boer War.

It is true that the population, black and white, had grown up side by side in separate communities but, under a liberal-minded man like General Smuts, the system did not attract serious criticism, for it was assumed that it would in time draw Africans into business and into government. A constitution was therefore drawn up with all the necessary provisions for human rights and the protection of minorities which goes with democracy.

### Apartheid

It was not until Dr. Malan and Dr. Verwoerd began to preach the positive virtues of *apartheid*, and to thrust it down people's throats so that none could ignore its cruelties and injustice, that international opinion was stirred to indignation and Africans to boycott. It was on this issue that South Africa had to leave the Commonwealth. On this issue the United Nations has constantly passed resolutions urging reform of the system; while it is this issue upon which the U.S.S.R. continues to play in order to pose as the champion of the oppressed Africans.

Africa, but no credit for it will be given as long as the *apartheid* laws are as

There is much that is good in South Africa, but the *apartheid* laws are discriminatory and offensive to the dignity of man as they are at present.

The early African settlers, aided and abetted by the Dutch Reformed Church, looked upon the African as "hewers of wood and drawers of water" for the white race. Mr. Vorster, the present Prime Minister, has made some progress towards diluting the worst features of the *apartheid* and for this he is finding increasing support. But, until measures of a much more far-reaching character are taken, South Africa will not be a harmonious country and will not be fully accepted by international opinion.

This has unhappy consequences in other fields, for South Africa ought to be one of the bastions of the security of the free world. Capetown and Simonstown are ideally placed for joint naval policing of the Indian Ocean and the South Atlantic.

Rhodesia is a very different case. Unlike the settlement of South Africa, where Europeans, who met the Zulus in battle before they gained possession of their land, the European penetration of Rhodesia was a peaceful progress. The country was sparsely populated, and though the Mashonas and the Matabele were recognized and cohesive tribes, the white were wandering populations moving about to hunt and to find their food.

When Cecil Rhodes arrived, the land lay open for development, and its fertility for certain crops was proved — in particular, tobacco. The white pioneers used the Africans as labourers to create the farms, and established a fixed agricultural tenure. They were paternal, and when the Church came into the growing communities, it was the Christian Church (predominantly the Church of Scotland) which preached the equality of man in the sight of God. In terms of race relations Rhodesia got off to a far better start than its larger and richer southern neighbour.

Such confidence had Britain in Southern Rhodesia that, although it did not qualify for Dominion status like Australia, New Zealand, Canada or South Africa, it nevertheless had so much autonomy that from 1923 there was virtually no intervention in its internal affairs. When Sir Godfrey Huggins (later Lord Malvern) and Sir Roy Welensky were Prime Ministers, they used to attend the courtesy meetings of the Commonwealth prime ministers.

The economy of Rhodesia, then, was essentially agricultural, and the African was the farm labourer, though there were





When he was appointed Prime Minister of Britain in October 1963, Lord Home disclaimed his titles and sat in the House of Commons as Sir Alec Douglas-Home. He only recently left the Commons to return to the House of Lords.

large African tribal areas reserved for African farming. There was a cloud "the mark of a man's hand" there, for the Africans began to say with some truth that the European settler had taken all the best land and left them with the poor land. The whites retorted that, if only the blacks would learn husbandry, they would make a good living.

But, by and large, relations were good. In the early years, the Africans were confined to a voting roll of their own, but in 1961 a constitution had been drawn up that gave promise over the years of a truly multiracial society.

## Consideration

Meanwhile, for good economic reasons, Southern Rhodesia was made the basis of a federation that included Northern Rhodesia and Nyasaland. Had the association been economic only, trouble would probably have been avoided, but it was made political. Several features contributed to the tension. The proportion of Africans to whites in Northern Rhodesia (now Zambia) and Nyasaland (now Malawi) was much greater than that in Southern Rhodesia, while the fact that Salisbury in Southern Rhodesia was made the capital of the federation led to jealousy and resentment.

But the most powerful influence on the Africans of the two northern territories was the surge to complete independence in the other countries of Africa. Ghana, in particular, was looked upon as a model to be emulated, for had not the extroverted patriot Dr. Nkrumah proved that

Africans could throw off the yoke and rule themselves?

To cut a long story short, the agitation became such that Britain could not stay the compulsion towards independence except by force. That was rejected. So, for Zambia and Malawi, independence constitutions were framed and granted to both countries. Naturally they provided for majority rule by Africans, because the European populations were minute. If the Africans in either country made a mess of independence, it would be their own funeral.

In Southern Rhodesia (thereafter to be Rhodesia), the white population had no intention of running the risk to the wealth and political stability of the country involved in majority rule by Africans who were clearly not ready for the responsibility.

There was a case — and the Rhodesians made it — for Britain to give independence to the powerful and successful white minority.

But that had not been our colonial and Commonwealth practice, and where we had done so in the case of South Africa the result had been very unhappy. So we decided to proceed by improving the conditions of the franchise so that Rhodesian Africans could gradually — by improving their situation in relation to income, property and education — qualify for economic and political partnership with the Europeans on a common voters' roll.

*Decision to improve conditions of franchise*

## Key moment

The 1961 constitution for Rhodesia was a key moment in the country's history. It was accepted by the white government. It was accepted by Dr. Nkomo, who was representing the Africans at the London conference. All seemed to be set fair for evolutionary African advance to majority rule.

Then the tragedy happened. Dr. Nkomo, when he returned to Salisbury, went back on the document he had signed. From that moment the Europeans became more and more suspicious of the Africans' intentions. They went slow on African advancement and, as one independent country after another in Africa tore up the constitutions that Britain had given them and substituted one-party rule, the extreme whites were able to say "we told you so".

From that moment things went from bad to worse, until Mr. Smith made his Declaration of Independence in 1969, and passed a new constitution through the Rhodesian Parliament. No one could deny that it was an illegal act.



World Wide

*Last year's talks between Rhodesian Prime Minister Ian Smith and black nationalist leaders ended in failure. They did, however, bring together for the first time President Kaunda of Zambia and Prime Minister Vorster of South Africa. The two leaders are shown during their meeting on the Victoria Falls railway bridge just before the talks.*

Mr. Wilson tried to rescue him from it at two meetings, which nearly succeeded, but the solutions were turned down by Mr. Smith and his Cabinet. I tried again in 1971, and agreed on the terms of a settlement with Mr. Smith, but this time the Africans, on consultation, came down against it.

The latter meeting is of interest because Mr. Smith actually put his name to significant change. He agreed to a commission to recommend ways to end racial discrimination. He agreed to alter the income tax laws, which operated to disfranchise thousands of Africans, so as to make them eligible for the vote. He agreed to move to parity between blacks and whites in the Parliament, and from there to a common voting roll for blacks and whites. He accepted the need for a bill of human rights to be incorporated in the constitution. In these measures lie the secret of evolutionary change, and a future of harmonious relations in the country.

But two things have changed for the worse. Mr. Smith, when the Africans turned down the proposals, felt himself absolved from carrying through the reforms. The Africans, unable to gain acceptance of their own proposals, and following the U.S.S.R.'s intervention in Angola, seem to be concluding that their only hope is guerilla warfare conducted from Mozambique on a scale that will force the Europeans to capitulate.

Britain has little ability to influence

the situation, while the South African Government, gravely embarrassed by apparent inevitability of conflict, finds it impossible to apply pressure beyond such advice. An economic squeeze would not be supported by the South African electorate.

The second factor in the equation is that, since 1971, the time-scale for evolutionary change has contracted fast. The British Government has put it at 10 years, which I believe to be physically impossible and a mistake; but major rule is now bound to come and reasonably soon.

There is perhaps one saving grace. "Majority rule" need not be "one-man-one-vote". A comparatively high qualification for the franchise would still be possible. Majority rule in the easily foreseeable future. It could be responsible rule. Hope, however, is receding fast as the sides dig in.

The perspective, then, in Africa is nowhere encouraging. There is danger of a return to tribalism. There are dangers from Communist intervention, from unstable societies, and Southern Africa poses acutely the problem of race. Outsiders are going to risk getting their fingers burnt, so Africans and Europeans on the continent will need to settle their problems themselves.

We must hope for evolutionary change, but it will require much wisdom, and the commodity, for the present, is continuously in short supply.

*Smith agreed to parity in Parliament and a common voting role*



# African internal pressures will affect pace of change

By Roy Lewis

Early in 1974, it became clear that Portugal was on the verge of a convulsion. It came on April 25, and General Spínola, who had been demoted from his appointment to the Chiefs of Staff after publishing a book warning that the wars in Guinea, Mozambique and Angola could not be won and that a "commonwealth" approach must be tried, presided over a revolution of which he gradually lost control. All the current assumptions about the pace of change in Southern Africa had to be abandoned.

Previously, in Pretoria and Salisbury, and even in Lusaka and Dar-es-Salaam, the view had prevailed that the "white redoubt" would last another ten years. In city circles in London, it was supposed that, even if the Rhodesian and Portuguese position crumbled before that, South Africa had up to 20 years to adjust to the march of black nationalism and to absorb the demands of the United Nations over South West Africa and (an internal matter under Clause 2) *apartheid*.

In the summer of 1975, as the Victoria Falls conference was being planned (and even after its failure), it was supposed by many journalists, businessmen and liberal politicians that Ian Smith would be forced to concede the *principle* of majority rule to Joshua Nkomo and Bishop Muzorewa before the end of the year, and that the working-out of a timetable for the transition would ensue, under which Africans would progressively take over the government after elections on a wider franchise. Rhodesia, it was deduced, would have a black government within two years, while South Africa would face the option of dismantling *apartheid* or facing racial war within a similar period.

Such expectations have proved as mistaken as the time-scale that was generally accepted before the Portuguese withdrawal from Africa. Smith's position looks stronger this summer than it did in 1975. The pressures brought against him abroad have failed, though there is growing criticism at home. Forecasts of events

in Southern Africa go wrong because they are so often based on a selection of the factors working against Rhodesia or South Africa and ignore the pressures on the surrounding black states, and on their foreign backers. This article is an attempt to bring all the factors into focus.

## Balance-sheet

The basis of any assessment is that the southern geopolitical zone of Africa — roughly the area below 10 degrees South Latitude — is still almost as interdependent as it was when Britain broke up the Federation of Rhodesia and Nyasaland in 1964. The main changes that have taken place in those 12 years are as follows. Zambia now has rail, road and oil-pipeline access to the East Coast at Dar-es-Salaam. But both Zaire and Zambia have — at least temporarily — lost their more important access to the West coast by the Benguela railway. As a result, Zaire (above all Katanga) is more landlocked than ever. Zambia is considerably worse off, for the Portuguese had increased the capacity of the Benguela railway, notwithstanding its bitter opposition to United Nations sanctions.

Rhodesia has lost its important coastal outlets at Beira and Maputo (Laurenço Marques) as a result of President Machel's full application of UN sanctions, which involved the closing of the border. But it has added the Beit Bridge rail link to its main line of rail to South Africa, which runs through Botswana; the two are thought to be adequate. Malawi, which used to be at the mercy of

*Both Zaire and Zambia have lost rail link to West Coast*

---

*Mr. Lewis is a consultant to The Times of London on African and Commonwealth affairs and was formerly that paper's assistant foreign editor. Before joining The Times, Mr. Lewis was assistant editor and Washington correspondent of The Economist. He is the author of a number of books on British social structure and on Africa. The views expressed in this article are those of Mr. Lewis.*

Portugal and South Africa for its communications (a fact used by President Banda to justify his tactical pro-white alignment and the peculiarities of his policy towards Rhodesia and the Organization of African Unity), is now a prisoner of the Marxist FRELIMO government of Mozambique, and has become much more vulnerable to attack by his opponents based in Tanzania.

Changes in the economies of all the contestants modify the effect of blockages in the pattern of communication. Zambia has developed its coal resources and hydro-electric power, and has expanded (from a low base) its manufacturing capacity. Rhodesia, however, has done far more; its industrialization and import-replacement programs have enabled it to economize on imports. Its losses in the tobacco trade have been severe, though exports continue, but they have been partly replaced by its booming beef exports to continental Europe and by an expansion in its mineral production that has made it the world's sixth gold-producer.

The African countries, moreover, have not ended their dependence on the white economies for food. In a bad year, all of them except Malawi need to import food-stuffs — particularly maize. President Kaunda has now officially proclaimed that Zambia must make agriculture its leading industry. This is impossible, but at last he has the opportunity to emphasize to his indifferent fellow-countrymen the importance of agriculture in the light of the drop in copper prices, which squeezes them all. In the 1960s the policy was to buy out the white farmers in conformity with the policy of "Africanization". Now the remaining white (or "commercial") farmers are given priority — some 450 of them produce 40 per cent of the nation's food. Zambia's other attempts at agricultural development since 1964 have been almost uniformly unfortunate.

### **Mozambique dependence**

Although Mozambique, too, is dependent on Rhodesia and South Africa for maize, which can hardly be replaced by seaborne imports, the regime (to the amazement of Salisbury) has closed the border, ruthlessly imposing starvation on many of its people. This action may be some measure of its doctrinaire attitude. Many citizens of Mozambique cross the border to buy food — and sell information. Malawi's position is eased, however, because it can legitimately supply food to the Marxist regime.

This year, in a war of attrition of all against all, Zambia is coming out worst.

Like Zaire (less directly involved with the south), it suffers from its dependence on copper. On top of the CIPEC cut of 10 per cent in production has come the steep fall in prices (which are hardly responding yet to the heralded upturn in world trade), and, on top of that, comes the difficulty of delivery. At the same time, Zambia suffers from rising import prices (especially on oil), which are further increased by delivery charges. The congestion at the ports is hardly improved by the interference of Tanzania, as an even poorer country in siphoning off Zambia's export earnings (for example, Tanzania long prevented the road movement of copper to the far more efficient port of Mombasa). Zambia's social peace depends in part on avoiding unemployment, which dictates an undue maintaining of the work force on the copper belt. Tanzania is therefore producing well above cost. Zambia is able to raise credits, but, in effect, its productive resources are the collateral for such loans. Ironically, President Kaunda has nationalized the mines and restored them to the people's ownership only to see them progressively mortgaged to foreign creditors. The process cannot continue indefinitely without trouble.

### **Others affected**

All the other countries involved have been affected. Rationing, *de facto* if not by cards, is now severe in Rhodesia. South Africa, with an enormous program of rearmament and an equally enormous commitment to developing the "Bantustans" and to raising black living standards at this critical juncture, is suffering, quite unexpectedly, from the drop in the gold price and from difficulties over many other staple exports. The economic crisis affects black and white states differently, but both fear social discontent. For Rhodesia and South Africa, the need is to maintain a rapid growth in gross national product — at least 5 per cent a year — to keep up with the growth in their black population (about 3.5 per cent annually). In 1970 their GNPs will decline. It is no comfort to them to see that their black neighbours are worse off — for, as President Machel has shown, a black regime, secure in the righteousness of its pan-African cause, does not hesitate to exact further sacrifices from its poor.

South Africa's long-term policy has not changed. It has been accelerated. Before the Portuguese revolution, thinking Africans realised that white supremacy was not a fact of nature. Policy for the future has two components. The first is merely to gain time, in the belief that pressures will

*Industrialization  
has enabled  
Rhodesia  
to economize  
on imports*

*White farmers  
given priority  
in Zambia*



disappear. They will disappear, Afrikaners argue, when the African states collapse from economic failure and maladministration (a historical necessity on *Verkrampte Hardliner*) assumptions about inherent racial inferiority). Alternatively, the inevitable war between Communism and the West (which Afrikaners continue to see in the light of the 1940-1944 war at sea) makes them a necessary ally of the West. The second component is more constructive — to demonstrate that the policy of separate development (the “Bantustans”) is a better answer to racial conflict than one-man-one-vote once.

Mr. Vorster’s policy of *détente* failed to “normalize” relations with the black states or split their united opposition to South Africa, though it did open the way to co-operation with Kaunda over Rhodesia in 1975. It led back to the need to reassure black opinion about *apartheid*. In fact, all that has been done is to accelerate the “Bantustan” program and, in minor way, alleviate “petty *apartheid*”; the structure of social segregation remains, and home security has been tightened up. The Group Areas Act is being implemented as if there were no need to conciliate either the Indian or the coloured populations.

### Immediate hopes

It looks, in fact, as if South Africa’s immediate hopes are concentrated on the impact of granting independence to the Transkei in October 1976, and on the emergence of some agreement about South West Africa (Namibia) from the long-drawn-out constitutional conference in Windhoek. So far as the broad philosophy of the Bantustans is concerned, this has now been repudiated by Chief Buthelezi, who has virtually adopted the program of the banned African National Congress — direct African participation in Parliament and the dismantling of discriminatory laws and the rest of *apartheid*. The long dialogue with the Bantustan leaders other than Chief Matanzima has thus petered out. But the Transkei will challenge all Africa’s opposition to the fragmentation of South Africa. In any comparison with Lesotho or even Botswana, Chief Matanzima has a powerful case. If it can be demonstrated in October that his government, and not Pretoria, rules in Umtata; if the Transkei shows it has direct links by air and sea with the outside world; if its nationality code breaches that of South Africa, and so on, the Transkei’s hammering at the doors of the United Nations will divert attention from South Africa’s failures elsewhere. At present, Transkei represen-

tatives are seeking friends, sponsors and financiers in the West; after October, they may also turn Eastward.

The outlook in Namibia is obscure. Mr. Vorster has said South Africa wishes to get out. The plan to turn it into eight Bantustans and one rich and controlling white state is crumbling. Opposition to the participation of SWAPO (the South West Africa People’s Organization) has been ended, but SWAPO guerrillas based in Angola remain active and the Republic is more tied down in border security.

### Disengagement

It has been South Africa’s hope to disengage from Rhodesia. South Africa urged Smith to accept the successive British proposals. The ensuing quarrels culminated in the withdrawal of the South African police and the combined pressure with Kaunda that led to the release of Nkomo and Sithole, with other leaders, to make possible a more realistic negotiation of a settlement after the failure of the talks with Bishop Muzorewa. The whole course of events has confirmed that Smith’s policy resembles South Africa’s in that it is playing for time; but it is doing so against South African pressure to bring about a settlement in which a moderate black government (tinged perhaps with white) would take charge. Undoubtedly Pretoria put its hopes in Nkomo. Smith, in the ten weeks of talks up to March 1976, frustrated them. At the last moment he offered the excuse that he had had the assurance from Pretoria that any transition was to take not less than 15 years — on which condition alone he had agreed to talk. Since the minimum period that Nkomo could then hope to sell to his own supporters — themselves a minority of perhaps 30-35 per cent of black Rhodesians — was two years, the talks collapsed.

And since President Kaunda had persuaded Presidents Nyerere, Machel and Seretse Khama to give negotiations one more chance before resorting finally to military means in accordance with the Lusaka Manifesto, Smith’s rejection was the signal for intensification of the guerrilla struggle with official backing from the black states. Smith subsequently brought four government-paid chiefs and four nominated Africans from Parliament into his government. This is said to have been well received in some tribal areas, but it convinces no one else.

The all-out official backing of the black governments has added a new twist to the war of attrition that has been going on since Harold Wilson said that sanctions would destroy the Smith regime in “weeks

*South Africa  
pinned hope  
on Nkomo*

rather than months". It must be asked why it should be more effective or hasten events more than the ineffective terrorist attacks that preceded it.

Rhodesia has a much longer periphery to guard, now that both Mozambique and Zambia allow guerrillas to cross at any point. It has lost the South African paramilitary police, but has replaced them with a third black battalion, longer call-ups and some recruitment of mercenaries into its regulars. It has better arms (especially helicopters), better training, and a fund of anti-guerrilla experience. The question is whether the attacks can be so effective and so dispersed that this force will have to be increased to the point where there are too few whites to carry on production and other essential work. At that stage, the economy would run down and the guerrilla's first aim would be achieved. Their second aim is to demonstrate to the mass of Rhodesian Africans that the whites cannot win, and so start an upsurge of disobedience and sabotage, which has not yet eventuated because Rhodesian security and intelligence are so effective.

In assessing the guerrillas, it should be emphasized that these are their objectives; an all-out, set victory is not necessary. Kaunda, in fact, hopes that, when the Rhodesians are convinced that they cannot themselves win, even if they can indefinitely repulse guerrilla incursions, Smith will be repudiated. Then negotiations under some other leader and party can be resumed, leading to a majority government with white participation and not too much bitterness — above all, without the destruction of Rhodesia's economy, or the development of a completely Marxist guerrilla movement.

### Guerrilla weakness

On their side, the guerrillas are weak and, indeed, divided. They are receiving modern weapons and Chinese and Cuban instructors (who often help them technically but discreetly in operations). Their camps, however, are in countries with weak economies and infrastructures — particularly Mozambique. More important are their political divisions. Muzorewa's African National Council was a stop-gap organization created for the Pearce Commission; it was the umbrella under which the rival ZAPU and ZANU parties were to present the Smith Government with a united front after the release of their respective leaders, Nkomo and Sithole. The ANC never did so, though the name lingers. Muzorewa, after being drawn to the militant wing (mainly ZANU), has gone into despairing

exile. Smith helped to split the ANC from by refusing to allow the ZAPU leader accused of terrorist crimes back into Rhodesia. The militant wing, opposed to both Nkomo and to Kaunda's policies, and claiming to lead all the freedom fighters in operation, continued to demand all-out war and immediate black rule for "Zimbabwe".

But the murder of Mr. Herbert Chitepo, ZANU's leader in Zambia, showed that the militant wing was split and the revelations that have followed from the Zambian police investigations indicate that tribal and personal animosities, self-seeking and corruption, produced an internal feud costing hundreds of lives. No leadership of "Zimbabwe" survives, only a clamour of discordant voices. To Kaunda the danger from this is the repetition of an Angolan situation in Rhodesia. To the Marxists, the "correct" answer is their own predominance. Both expect that during the exile of political leadership like Mondlane's, military leadership will arise in the field. There are many difficulties in this proposition. The "cadres" are supposedly led by mixed teams of ZANU and ZAPU officers, who often quarrel. These divisions prevent unified guerrilla leadership or tactical planning; they remain capable only of raiding, intimidation and sporadic atrocities. Their best effort to date have been the brief interruption of Rhodesia's two vital railways. Unless they do consistently better, there will be no internal rising in Rhodesia, and no response in South Africa's fever-ridden shanty-towns.

The pace of the struggle would be galvanized, of course, by a new intervention. Fidel Castro has disclaimed any such crusading intention and agreed to withdraw his troops from Angola. But the withdrawal (presumably at the behest of Russia, worried about the attacks on *détente* during the American Presidential election) is gradual, and already there are up to 1,000 Cuban technicians in Mozambique replacing the evicted Portuguese. Intervention cannot yet be ruled out despite Dr. Kissinger's strong words in Lusaka. The Zimbabwe leaders — and the SWAPO command in Angola — certainly consider that they should be able to call on "brotherly aid" from fellow revolutionaries in certain circumstances — but which they actually mean the unfaithfulness of the Rhodesians to hold out Rhodesian indulgence in hot pursuit of retaliation against Zambia or Mozambique would also be invoked as a reason for calling in Cuban troops, whose efficacy

*Rhodesian security and intelligence have held down disobedience and sabotage*



Angola young Africans consider simply as a new sort of "tool" to use against white military superiority. Kaunda and other moderate African leaders, such as Kenyatta, oppose any such intervention, as proposing a new colonialism on Africa. Kaunda's restriction of the war against Smith to Zimbabwean liberators (i.e. excluding African volunteers or troops), is one expression of this fear. But the Marxists have other ideas, and changing the regimes in Zambia and Malawi is

certainly one of their aims — perhaps a more immediate aim than making the Zimbabwe guerrillas more effective.

The policy, pursued in different ways, and often in disharmony, by Salisbury and Pretoria, of simply playing for time has, I think, more mileage than those who see the black-white confrontation in simple terms ever allow for. Postponing the inevitable, dodging the issue and confusing the scent are policies with respectable antecedents for men and states.

*Playing for time  
is a policy  
with respectable  
antecedents*

# The impossible dialogue with 'white' southern Africa

*francophone approaches*

by Bernard Charles

Many outbreaks of violence have just occurred in Soweto, the black belt of Johannesburg, and in various South African towns. Police repression in these areas has already accounted for over 100 deaths. Following upon similar police action in Sharpeville in 1960, this wave of repression illustrates the continuity of the relentless policy of *apartheid*. One month earlier, on May 28, a contract had been signed for the sale of a French nuclear power plant to South Africa. A few days before, President Houphouët Boigny of Ivory Coast, the leading advocate of dialogue with southern Africa, had made an official visit to France during which he said that he had had very close contacts with white South Africans and that patience was required to allow an assessment of attitudes. In the days that followed his visit, a conference of the heads of state of French-speaking Africa was held in France.

In the author's view, these occurrences provide an indication of the ambiguities, contradictions and obstacles encountered in the new policy of "dialogue" some of the *francophone* states of Africa have been pursuing for several years. Indeed, the policy of opposition and the use of force advocated by other states has long appeared powerless to alter a situation that Africans in Angola and Mozambique, and in Rhodesia, Namibia and South Africa, see as unacceptable. It certainly

seems that, with the disintegration of the Portuguese colonial empire, 1974 and 1975 marked an irreversible turning-point in the history of the African continent. For the second time the "winds of change", to use an expression coined by former Prime Minister Macmillan of Britain, are blowing over Africa. Indications are that these winds will be of hurricane force. In particular, the consolidation of Angolan independence under President Aghostino Neto and the MPLA is bringing about a realignment of Zambia and Mozambique to create a position of strength with respect to Africa's two remaining white powers. From now on, the advocates of "dialogue" with southern Africa will be in danger of finding themselves seriously out of step with their partners.

*Advocates  
of dialogue  
out of step  
with partners*

## Divergences

The term "*francophone* Africa" is a convenient one, but it can be misleading. Although the French-speaking countries of

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Africa are characterized by a common colonial past, an identical official language, and the same type of relations in most cases with the former colonial power, and although they all have the same underdeveloped, dependent status, this does not mean that *francophone* Africa forms a homogeneous international sub-system capable of formulating and implementing a common foreign policy. Nor does it mean that its states should be expected to act in unison to solve major political problems at a time when no alliance of countries in the world is capable of doing so.

It is true that there is agreement on a number of essential problems, and to some degree this permits a certain harmonization of policies (in the United Nations, for example) — certainly no mean feat! But, too often, divergent and even conflicting interests either paralyse international organizations like the OAU (Organization for African Unity) or provoke serious conflicts between member countries. There is no real organization grouping the countries of French-speaking Africa, in spite of several attempts to create one, but only regional organizations whose primary function is economic, such as the Council of the *Entente*, customs unions, economic communities and so on. These organizations have had their ups and downs. The scars borne by the OCAMM (African, Malagasy and Mauritian Common Organization), which was losing its members one by one and was unable to achieve any political pre-eminence, bear witness to this; in August 1974, this organization had to agree to be “depoliticized” in the hope that it could form an “instrument for economic, cultural and social co-operation”.

### More pronounced

The disagreements are, naturally, much more pronounced over specifically African problems (such as the question of the liberation of southern Africa), conflicts between states (such as those arising over boundaries) or conflicts within states (such as those concerning political entities resulting from colonialism) and questions of implementing development policies. On all these problems, national attitudes often touch or overlap, but no consensus seems to emerge. It is often difficult to explain the stance taken by an African state in terms of its position within the existing ideological, political and economic alignments. Ivory Coast was the only country of the five-member Council of the *Entente* to recognize Biafra, following Tanzania, which ranks among the progressive African nations. Ivory Coast and Senegal had a

moderating influence on the other states with respect to southern Africa. Mauritania and Guinea, long-time partners in what is known as the African revolutionary group, do not see eye to eye on the future of the former Spanish Sahara, and Mauritania has aligned itself with Morocco (in the words of President Ould Daddah, “you do not choose your allies”) against Algeria and they are sharing this territory in disregard of the previously unbroken rule that former colonial boundaries are to be maintained — a rule made by the OAU. Other, and equally significant, divergences would become evident if we were to turn our attention from the states of West Africa to those of *francophone* East Africa.

It is important, however, to define the level of the discrepancies of attitude with respect to southern Africa in order to avoid oversimplification or the type of political Manichaeism that disregards the complexities of foreign policy. The fundamental objectives are clear and have never varied. On behalf of the whole of Africa the goal of eliminating all forms of colonialism was solemnly proclaimed when the OAU was formed in 1963. The heads of state recognized what the OAU charter refers to as the pressing and urgent need to co-ordinate and intensify the efforts of its members to expedite the unconditional achievement of national independence for all territories still under foreign domination. They also pledged to help colonial peoples achieve independence. They were equally categorical in their condemnation of *apartheid*, denouncing it as a “criminal policy”, and of all other policies of racial discrimination.

### Unquestioned

No African government, whether it be classed as revolutionary, progressive, reformist or moderate, has ever questioned these common goals. Ivory Coast is no less firm than Guinea or Mali and Niger in this respect: “No human being worthy of the name could approve of the racial law governing the relationships between the various communities in South Africa.” These words, spoken by the Ivory Coast Minister of Information on his return from an official mission to South Africa in October 1975, could, with others like them, form a veritable anthology on the topic. The same is true of the numerous statements stigmatizing Prime Minister Ian Smith’s unilateral proclamation of independence for Rhodesia and his desire to perpetuate the total dominance of the 4 percent white minority in that country.

OCAMM unable  
to achieve  
any political  
pre-eminence



The first series of dissensions among the French-speaking African states surfaced over the question of priorities for these objectives. Those who saw themselves as the more revolutionary states — Algeria, the Congo (after the fall of Fulbert Youlou), Guinea and Mali — believed that there was no room for compromise in the pursuit of such objectives. They accorded them a priority that was indissociable from internal policy priorities. They not only championed the cause of anticolonialism but declared themselves ready to take the most radical measures to achieve their goals. In the OAU, they ranged themselves individually with other countries in advocating the use of force. In 1965-66, they urged Britain to send troops to bring Ian Smith's regime back into line. Dissatisfied with the response, they broke off diplomatic relations with Britain. The countries near the war zones, such as Guinea and Senegal, which border on Guinea-Bissau, the Congo and Zaire, adjacent to Angola, were more interested in supporting the nationalists fighting in the Portuguese colonies by providing them with a relatively large amount of logistic support than the equivalent, in the form of "sanctuaries" in which to recoup their strength.

Although they did not explicitly say so, as Ivory Coast had done at one time, the actual policies of the other French-speaking African states indicated that the liberation of the Portuguese colonies and the end of all racial discrimination in southern Africa were for them long-term objectives, to be tackled on a continent-wide basis rather than by such tiny countries as themselves. They felt they should work towards their objectives through solidarity rather than through direct or immediate involvement. Common sense and realism told them that they should start the construction and consolidation of their own countries first, and they cited their lack of resources (small armies with outdated equipment, precarious financial conditions and insufficient manpower — since each had a population of fewer than 10 million) as their reasons for doing so. They exercised caution, dismissing rash policies that could have unpredictable or even disastrous consequences — like Zaire, which would have been in the front lines if a conflict had broken out and was reluctant to stand alone against the formidable manpower advantage of the Rhodesian army (not to mention the support of Rhodesia's South African ally).

#### Ways and means

The second series of disagreements concerned ways and means of achieving their

goals further divided the states of French-speaking Africa. The few that favoured the use of violence were outnumbered by those that agreed to condemn armed force in favour of negotiation. All were committed to supporting national liberation movements against colonialist governments, but different views were held on how this should be done. The French-speaking states agreed to work through diplomatic channels with the United Nations or the world powers, but most were sceptical about the benefits to be derived from breaking off diplomatic and consular relations with Portugal and South Africa, boycotting trade and imposing economic sanctions against them and Rhodesia or expelling the former two from international organizations. Over the years, these decisions either fell into abeyance or were avoided, as was the case with the boycott of Portugal — despite the solid and unanimous backing it had received in 1963. The states involved felt they had no real means of exerting pressure on the world powers, except by diplomatic notes and public declarations of very limited effectiveness. Except in a few cases (Guinea, Mauritania, Mali), this conviction led to the belief that it would be of no use to implement the OAU's decisions to break off diplomatic relations with Britain because of Rhodesia. The complex network of relations that exists between these countries and the former colonial powers or other Western nations has paralysed the former. As much from self-interest as from a natural affinity for France, Ivory Coast, Senegal and others have little inclination to chastize the French for their policy towards the Republic of South Africa.

#### Varied support

Support for national liberation movements in the form of financial contributions and technical and humanitarian assistance has also varied considerably. Promises are rarely kept. Up to 1970, the financial contributions received by the OAU Liberation Committee amounted to about \$1 million out of a total of over \$6 million that was supposed to be contributed for the 1963-1970 period. It is not known whether the French-speaking states were more negligent than the others. Nevertheless they are very uncommunicative about the nature or the extent of their support. This does not apply to states such as Algeria, the Congo, Guinea, Senegal and Zaire, whose support was acknowledged as being considerable even by some rival nationalist movements. For the most part, financial and other internal constraints

*No real means  
of pressuring  
world powers*

won out over the allocation of resources for a continent-wide struggle.

There was also the very real quandary presented by the various ideological or personal choices among the different nationalist movements. At best, this led to dispersion of resources, and sometimes to heightened antagonisms and deplorable "one-upmanship". The most striking illustration of this was provided by Angola. In the years since 1964, two camps had grown up, which had become enemies after the Portuguese empire crumbled in 1974. Ivory Coast, Senegal, the Central African Republic and Gabon joined with Zaire in rapidly declaring themselves supporters of Holden Roberto's FLNA and Savimbi's UNITA. Guinea, Algeria and Mali, on the other hand, joined the Congo in vigorously siding with Aghostino Neto's MPLA. Madagascar and others chose the first two and then switched to the third after a change in political regime.

### Policy of dialogue

Finally, it may be said that between 1960 and 1970 the vast majority of French-speaking states explicitly or otherwise declared themselves in favour of negotiations or, in other words, a policy of dialogue with southern Africa, despite the fact that any possible results of this could only be expected in the very long term. The stubbornness of Portugal unfortunately gave them no choice but to support the armed struggle over the question of the latter's colonies.

An excellent statement of this policy is contained in the Lusaka Manifesto, which was signed in April 1969 by 13 French- and English-speaking Central and East African states and reads, in part, as follows: "We have always preferred, and will prefer, to achieve [the right to independence] without physical violence. We would prefer to negotiate rather than destroy, to talk rather than kill. We do not advocate violence; we advocate an end to the violence against human dignity that is now being perpetrated by the oppressors of Africa. If peaceful progress to emancipation were possible, or if changed circumstance were to make it possible in the future, we should urge our brothers in the resistance movements to use peaceful methods of struggle even at the cost of some compromise on the timing of change."

Unlike what happened in the former colonies of France, Britain, Belgium and Spain, where outbreaks of violence (all-out war in Algeria, riots in Ghana and Ivory Coast, revolt in Madagascar) alternated with periods of negotiation (Nigeria and "black French-speaking Africa"), it

is now evident that the appeal for dialogue and negotiation was useless in the case of Portugal and its African colonies. As probably the case with Algeria, they would not be independent today if they had not engaged in an armed struggle. Can the exorbitant price paid in "blood, sweat and tears" by these states be avoided in the two remaining white regimes of southern Africa? One head of state, President Houphouët Boigny of Ivory Coast, has laid the challenge before the other African leaders.

### Press conference

At a memorable press conference, President Houphouët — to the amazement of almost everybody — proposed a policy of dialogue with South Africa for the purpose of seeking a solution to *apartheid*. He stated that the boycott of South African goods was doing more harm to Africa than to the South Africans and called for an OAU summit meeting. A lively reaction ensued. Apart from South Africa, only a few exceptions were in (hesitant) agreement (Madagascar and Gabon); others such as Cameroon and Senegal, flatly refused to listen — and these were among the moderate countries. The Senegalese Minister of Culture said there would be no dialogue with a government that espoused a doctrine of racism.

The next year, President Houphouët overstepped the bounds again, stating that he was prepared to send a delegation to Pretoria and even go there himself if the results were satisfactory. He was hardly more successful with the other African heads of state than on the previous occasion. The participants at the seven East and Central African summit meeting in October 1971 adopted the Mogadiscio Declaration, which rejected all forms of dialogue with South Africa and stated that there was no longer any other means of liberating southern Africa than by armed force. But even then some states were quietly renewing economic relations with South Africa. Madagascar did so officially, President Tsiranana stating that he preferred unreserved mutual understanding to hatred.

The scene was now set for the action that followed. In September 1974, President Houphouët and Senegal's President Senghor met secretly in Ivory Coast with South African Prime Minister Vorster. The Ivory Coast minister then went on an official mission to Pretoria and, in May 1976, a South African minister reciprocated. The same exchange of missions between the Republic of South Africa, on the one hand, and the Central African

*Portuguese  
stubbornness  
left no choice  
but to support  
armed struggle*



Republic and Zaire, on the other, took place in 1975. Nigeria's General Gowon stated that he also was prepared to meet with Mr. Vorster if he "should decide to come to Nigeria". A loan of 25 million French francs was made by South Africa to the Central African Republic. According to a statement by Prime Minister Vorster in March 1975, other loans would be available to provide financial and technical assistance to Africa.

However, these "small steps", to use Mr Kissinger's expression, on the road paved by Mr Houphouët Boigny are still being met with much hesitancy and very firm opposition. The twenty-fourth session of the Council of OAU Ministers in Addis Ababa in February 1975 upheld the condemnation of "dialogue" that it had already expressed in June 1971, by rejecting the idea of any dialogue with the South African regime that did not have as its sole purpose to obtain recognition for the legitimate, inalienable rights of the oppressed and the elimination of *apartheid*. Mr Houphouët Boigny refused to accept a decision such as this, which had been approved by only 28 out of 41 states, and even denounced the OAU as an organization that was in danger of becoming "an organization of illusions".

The question of what the dialogue entails will become clearer if we examine the Ivory Coast head of state's reasons for espousing it. He in no way condones South Africa's racial policy. Furthermore, he refuses to visit South Africa until a "visible change" becomes evident. Why dialogue? He believes that no efforts should be spared in seeking to avoid in Africa the type of conflict that has occurred in the Middle East. If war broke out, South Africa would invade certain neighbouring countries. Interviewed by a South African newspaper in October 1975, Boigny indicated that this would then enable South Africa to negotiate for the evacuation of the occupied territories, and that *apartheid* would become a secondary consideration, as is now the case with the Palestinians.

### Unanswered question

The fundamental question, whether or not dialogue is really possible, remains unanswered. Senegal, which, with the Ivory Coast, is taking a few steps towards dialogue, is asking what some of the conditions should be and has proposed that the exchange should involve the governments of Rhodesia and South Africa, the national liberation movements, the white liberals and the nationalist movements. When Dr Kissinger was in Dacca last May, Senegal's Foreign Minister made

specific reference to the content of this dialogue, calling for the withdrawal of South African troops from Namibia, renunciation of the "Bantustan" policy and concessions to nationalist movements. But he seemed to harbour no illusions as to its chances of success, observing that the white liberals had been shown to lack sufficiently strong support. He also saw the heads of these countries as living in the past, retreating into history, having lost the contest through their "insane and suicidal" policies.

### Important aspects

A number of equally important aspects warrant our attention here. To begin with, the idea of "dialogue" as it is often expressed appears unequal and lacking in reciprocity. Meetings between African heads of state and the Rhodesian or South African leaders cannot change the situation unless the former are in a position to pressure the latter by offering them something sufficiently attractive to obtain — or squeeze — appreciable concessions from them. Otherwise, however sincere the conversations — they could not be called negotiations — might be, the eventual or hypothetical result would hinge entirely on the good will and graciousness of the South Africans or on their sudden awareness of the relevance of arguments aimed at persuading them to give up policies that had been followed for over ten years by Rhodesia and for more than 30 years by South Africa. Such an outcome is inconceivable. Nor could offers of investment and technical co-operation on the African continent be regarded as an attractive *quid pro quo*, as the political risks a change in government or attitudes would involve would make these investments too hazardous. Israel's attempt to break out of isolation by a policy of active involvement in Africa, which lasted for about ten years, is proof of this.

On the other hand, a dialogue conducted by the United States and the European powers with the South Africans could be effective if the former were truly determined to make the South Africans listen to reason. Present indications do not point strongly in this direction. Last January, President Senghor entreated the international community to face up to its responsibilities with respect to South Africa, which was "contradicting the purposes and principles of the UN every day". We all know what France's answer to this was. It continued to sell arms, as well as nuclear-power plants — the non-military use of which is impossible to guarantee. The United States is in no hurry to inter-

*Appreciable concessions will come only from pressures*

vene effectively; half of its African investments are in the Republic of South Africa, and it continues to purchase 40 per cent of Rhodesia's chromium in spite of the UN boycott. It appears that only the fear of an outbreak of violence triggered by nationalist movements inside the country, the spread of racial difficulties or the threat of outside intervention from neighbouring states supported by socialist powers could finally stir the Western nations to action.

The credibility of the dialogue was weakened by the South African leaders themselves when, in collusion with the United States, they decided to intervene in Angola in support of Savimbi's UNITA. The South African whites' desire to maintain their hegemony was poorly disguised by the pretext that they were acting for economic reasons — protecting the large South African and Western interests in Angola — and by the political-ideological pretext of preventing the spread of Communism in Africa. Denunciations of

Cuban and Soviet intervention are carrying less and less weight with a growing number of moderate African states. To place these interventions and those of South Africa on the same footing is to fall in with the ideological arguments of the West, whose activity in the Third World is geared only to competition with the U.S.S.R. or to arranging a situation beneficial to their interests. In any case, Zambia, after bowing to the inevitable, drew the appropriate conclusions from the fiasco of its dialogue with South Africa and joined with Tanzania, Mozambique and Angola in drawing up a new policy with teeth in it. The consolidation of this front, aided by the socialist powers if necessary, will have more influence on the destiny of southern Africa than years of conversation. A number of African states are now aware of this, and the Western powers would be wise to take a look at what is happening.

## Portuguese Africa resounds to MPLA victory in Angola

By René Pélissier

With the total victory of the MPLA in Angola an accepted fact, which for the present appears unchallenged by its neighbours and by its adversaries in Angola or in exile, the regime in power in Africa's major Portuguese-speaking country has joined its three former fighting companions in an independence that was long in doubt. Each of the five parts of what was formerly Portuguese Africa (Angola, Mozambique, Guinea-Bissau, Cape Verde, and São Tomé and Príncipe) is now headed by a regime connected with the nationalist parties that fought against Lisbon for over 14 years — by force of arms in the three

continental territories and with words in the editorial rooms of the two archipelagos.

### Common points

Despite the obvious differences among the MPLA (Angola), FRELIMO (Mozambique), the PAIGC (Guinea-Bissau and Cape Verde) and the MLSTP (São Tomé and Príncipe), the four victorious parties had much in common, which is why the latter three were relieved when the MPLA overcame the difficulties facing it and came to power in Luanda. A partial enumeration of these common points gives a clearer picture of the reasons for the satisfaction felt in Maputo, Bissau, Praia and São Tomé. All these parties based themselves on Marxism, or at least on African socialism, seeing it as the only possible solution to the problem faced by their countries. All of them proclaimed their intention not only to topple the colonial regime but also to forge a new society based on the elimination of the exploits

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on of Africans by whites and, in a broader sense, on the elimination of capitalism. All of them were — in varying degrees — supported by the Eastern-bloc countries, by leftist movements in some Western countries and by many governments and humanitarian organizations in Western Europe.

Except for the MLSTP, all of them, while claiming that their only quarrel was with Portugal, had to fight against rival nationalists who did not have the support of the U.S.S.R. Except for the MPLA, they were all able to neutralize the military capabilities of their local rivals well before the April 25, 1974, *coup* in Lisbon. And since, generally speaking, they were all of the same cultural background — one that isolated them somewhat in Africa —, they felt united against a common enemy they saw as the archetype of ultra-colonialist fascism. This attitude enabled them to ignore the fact that in Angola and Mozambique the hated Portuguese regime had appeared liberal in comparison with the intransigence of certain colonials.

### Disgivings

However, when the Alvor Agreement in January 1975 established a quadripartite transitional government in Angola formed by Portugal, the MPLA, the FNLA and UNITA, the common ground began to weaken. It was learnt that the most important territory was to become independent without the MPLA's being in sole command. Worse yet, for FRELIMO and PAIGC, the latter had no guarantee that the party of Dr. Agostinho Neto would win the elections that were to be held before the date of independence — November 11, 1975. For these parties, which consider political ecumenism to be heresy, this was an insufferable setback. We need only remind ourselves how the PAIGC took power in Bissau in 1974 without the slightest semblance of popular consultation in the zones in which the majority of the population lived, which remained under Portuguese control until Lisbon withdrew. FRELIMO also dispensed with this formality in Mozambique — which probably enabled it to avoid numerous setbacks. It was only on the islands that the PAIGC and the MLSTP took over after calling for elections they were reasonably sure of winning.

The Angolan civil war (1975-1976) and the risk of seeing two parties hostile to the U.S.S.R. (the FNLA and UNITA) pipe out the MPLA appear to have been sources of great concern to FRELIMO and the PAIGC. Granted, this concern arose for legitimate reasons of solidarity, but

in the back of their minds there was also the fear of a backlash in Mozambique if the white extremists fighting for the FNLA and UNITA should emerge victorious. The PAIGC, of course, had nothing to fear from an invasion from Luanda, but it is conceivable that the new regime in Maputo might with good reason have felt some apprehension at the possibility of the thousands of former Portuguese colonists near its border taking heart if the whites should win in Luanda.

### Range of attitudes

A detachment of a few hundred men was sent by Mozambique to fight beside the MPLA — a large number for a regime that was still uncertain of the strength of its own position. The PAIGC, which occupied a strategic position on Africa's Atlantic coast, refrained from making a total commitment. Guinea-Bissau did, in fact, send a small detachment to Angola, but it should be noted that the PAIGC was careful to avoid leaving itself vulnerable to its enemies inside and outside the country. It would not allow — at least, not openly — the Cape Verde ports and airfields to be used for the landing of Soviet materials and Cuban soldiers.

Bissau, on the other hand, was used as a stopover-point for these supplies and reinforcements. There appears to be a gradation in attitude towards the MPLA between the PAIGC on the islands and the continental PAIGC, a trend that was reinforced by the few thousand Cape Verde refugees who were the first to flee the disaster in Angola and who posed a problem to the PAIGC as a whole. These people were victims of hostility and even hatred in Angola. They were accused by the Angolans of being the forerunners of the Portuguese and of exploiting them as the Portuguese did. This is probably only a minor factor in the PAIGC's attitude towards Angola, but it is significant just the same.

In mid-March of 1976, with the MPLA victory assured, the Conakry meeting of Luis Cabral (Guinea-Bissau), Sekou Touré, Agostinho Neto (Angola) and Fidel Castro gave the appearance of a family gathering, and it seems plausible to say that any rough edges were smoothed off by proletarian internationalism. It is, however, noteworthy that Aristides Pereira, Secretary-General of the PAIGC and President of the Republic of Cape Verde, was not mentioned as being among the participants in the meeting. Furthermore, the repatriated Angolan islanders were allowed into drought-ridden Cape Verde but not into Guinea-Bissau, a land

*Gradation  
of attitude  
between islands  
and continent  
toward MPLA*

of plenty in which it would have been easier for them to start anew. One wonders whether this measure was taken to maintain socio-political equilibrium in Guinea-Bissau or to avoid creating anti-Angolan sentiment on the mainland.

Whatever the case, one should not attach too much significance to this possible reserve on the part of Cape Verde, and Agostinho Neto, who at one time was posted there by the Portuguese, included the archipelago in his official visit to West Africa. For the moment, therefore, we may conclude that, whatever the feeling on the islands towards Angola may be as far as the heads of the PAIGC are concerned, Guinea-Bissau and Cape Verde have every reason to rejoice at the MPLA victory.

### Mozambique

The same is true in Mozambique, where President Samora Machel still claims to be forming the first genuinely socialist African state — a claim, incidentally, that the half-dozen other aspirants to this title must find somewhat displeasing. It is conceivable that his activism in foreign policy is a way of running away from domestic difficulties. It has, however, procured him a supply of Soviet heavy arms that, in the absence of enemies on the Rhodesian border, may well satisfy the professional aspirations of the Mozambique army and check the opponents, now no longer European but African, who find his rule decidedly heavy-handed. Of the four sister countries, Mozambique has so far gained the most from the MPLA victory; in addition to the reduction of the latent threat on its western border, victory has consolidated Mozambique's internal strength, helped it to recover from the closing of the railway lines to Rhodesia, and provided it with a few arguments to use in its negotiations with Pretoria.

The remaining country, the Democratic Republic of São Tomé and Príncipe, cannot yet afford to have enemies in Luanda. During the recent colonial period, all air communications, and even supply operations, were carried out *via* Luanda. The MLSTP, headed by Pinto da Costa, who is also the head of the state, is the weakest of the four parties so far as militant traditions, leadership material and organization are concerned. It is also a movement that is only slightly tinged with Marxism, as it seems about to enter the orbit of Gabon, which at times has been flirting with the idea of a flexible federation with the archipelago. Faced with a drop in cacao and coffee production owing to the departure of the planters and their white and Cape Verdian employees, with

the almost complete nationalization of the *rocas* (plantations) and with the lack of technicians and a distaste for manual labour (which has long been associated with slavery), São Tomé and Príncipe are clinging to survival after having avoided a leftist crisis in March 1975. Like Cape Verde, this tiniest of the African micro-republics has had to face an influx of thousands of São Tomése refugees from Angola. With nowhere to go in São Tomé and Príncipe, must they now move on to prosperous Gabon? Angola, which at present must rebuild and stabilize itself, would have difficulty in protecting these unfortunate islands, which are looking increasingly towards moderate Africa.

### Consolidation

To summarize, one need not be an expert to determine that, from a political viewpoint, the MPLA victory consolidated the position of the other regimes that resulted from the same struggle. It was inevitable that this should happen. Three of the countries — Cape Verde, Guinea-Bissau and São Tomé and Príncipe — have derived no direct political benefit, as no one is seriously thinking of threatening them at this time. The Eastern-bloc countries have extended their influence to various degrees, but not to such an extent that they are able to lay down the law. In reality these three political entities, whose economic viability is questionable, are going through an extremely unstable period. In seeking to broaden the base of their support from outside, they are trying to play their political and strategic cards in a way that will give them more political elbow room, as is indicated by their participation in the France-Africa meeting in Paris last May. By aligning themselves with the French-speaking African states, these three Portuguese-speaking countries, whose combined population is scarcely over one million, hope to find allies who will give them as much freedom as possible, now that Portugal is no longer interested in its former colonies. Their small size and population have the advantage at least of not requiring more administrative personnel than could in the long term be trained by the PAIGC and the MLSTP.

The situation in Mozambique will require of its leaders at least as much skill and strength of character as is expected of the MPLA in Angola. In Mozambique there is a potentially explosive combination of factors unparalleled in the three micro-states. Among them are the following: an increase in the personal power of the President, failure of the party to

*Foreign policy activism to escape domestic difficulties*



establish a strong presence outside the ones held in 1974, ethnic resistance, dissatisfaction among foreign minorities (as indicated by the steady decline in the number of Europeans and Indians), a breakdown of the modern economy, upheavals in administrative, educational and health-care structures, lack of good administrative personnel, the possibility of military takeover, increased problems at the border with a white stronghold whose reactions are unpredictable, and possibly racial. Added to this are: (1) the constraints of an inhospitable geopolitical structure that has made the country a mere assemblage of ill-related segments, and (2) the shadow of South Africa lengthening over a land the departure of

Portuguese personnel has left practically without any administrative infrastructure.

Whatever the short- and medium-term prospects may be, Portuguese Africa cannot hope to carry much weight south of the Sahara until Angola, which in two years has lost the benefits of a remarkable period of economic development, is able to regain its former stability. It will probably do so within a few years and, since it has much more in the way of resources and personnel than its four companion countries, Angola may be called upon to act in some leading capacity among this group ravaged by the process of decolonization, which, all things considered, has been a failure, with the poorest elements once again becoming the victims.

*Recovery  
of stability  
in Angola  
within few years*

## A new kind of dialogue between Canada and Cuba

by Roger Mégélas

The friendship between the Canadian and Cuban peoples did not begin with Prime Minister Trudeau's visit to Havana last February. In fact, Canada is, apart from Mexico, the only state in the Western Hemisphere to have maintained diplomatic relations with Cuba since 1959.

In his book *Vers un accord américano-cubain*, the late Léon Mayrand expressed the wish to see Canada "act on merit alone, whether or not it displeases North America's major republic". The former ambassador was referring to Canada's participation in the Organization of American States, which he saw as a possible catalyst for a Cuban-American thaw. The Prime Minister's visit to Cuba shows that Canada is going even beyond the wish expressed by Mr. Mayrand. While Mr. Trudeau made it known clearly that Canada did not intend to play the role of mediator between the United States and Cuba, the fact remains that, in the long term, his visit could well lead to this objective. In the short term, this theory is not admissible, especially when one considers that the intervention of Cuban forces in Africa and the perspective of the 1976 Presidential elections in the United States make any *rapprochement* between the two countries unlikely, to say the least.

Relations between Canada and Cuba seem to be increasingly oriented towards a new kind of dialogue, in which mutual benefit is of primary importance.

Three hypotheses can be proposed to explain Canada's behaviour towards the largest island in the West Indies. The first hypothesis, certainly, involves Canada's desire to display more independence from its huge neighbour immediately to the south. Friendship with Cuba, in addition to aiding Canadian nationalism, enables Canada to clarify its positions on problems affecting relations with the United States. This can create a difficult situation that, in the midst of the American Presidential campaign, has not failed to provoke severe criticism from Washington of Canada's foreign policy. In an interview with the weekly *U.S. News and World Report*, Secretary of State Henry Kissinger declared that the United States

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would not tolerate any further Cuban intervention in Africa or elsewhere. Looking at this statement, and the *New York Times* editorial sharply criticizing those of Mr. Trudeau, one is perhaps in a better position to judge the prevailing mood in the United States. In such circumstances, an independent policy enables Ottawa to indicate clearly that the interests of the Canadian people are the primary consideration in evaluating the importance of our relations with other countries.

### Canadian presence

The second hypothesis involves Canada's presence in Latin America. On the strictly economic level, there is no doubt that Canadian aid and the Canadians living in Latin America are very positive influences. In Cuba, Canada's support for the Cuban revolution was emphasized. If, even as a long-term possibility, a thaw in U.S.-Cuba relations is foreseen, it is extremely important for Canada to guarantee the continuity of its presence through co-operation with the Latin American countries. The major benefit from this presence is the assured market for Canadian goods in these southern nations. It is obvious that, on the international scene, Canada must enlarge its field of activity through solid ties based on mutual advantage. Thus Ottawa's request for an extension of the limit of territorial waters from 12 to 200 miles requires the support of the Latin American countries. In the event that the debate on this question pits Canada against the United States, the importance of this support will be confirmed.

The third hypothesis involves the creation of new markets for Canadian products. Since 1975, two sectors of the Canadian economy have been particularly affected by trade with Cuba: the railway industry and agriculture (wheat, flour, wood, powdered skim milk and other products). The value of Canadian products exported to Cuba rose from \$81.9 million in 1973 to \$144.7 million in 1974, and was expected to reach \$165 million in 1975. What gives a special quality to this aid relation is the impressive growth of Cuban exports to Canada. From \$16.6 million in 1973 they rose to \$76.3 million in 1974, and a figure of \$100 million is expected for 1975. During this period, the products Canada buys from Cuba have remained the same — the most important being sugar, tobacco, seafoods and rum. Sugar is the product most responsible for the increase in export values. Cuba sells an increasing amount of it to Canada, and in this way can earn foreign exchange

while retaining the benefits of an economic structure that safeguards its sovereignty and independence. To emphasize the importance of the Cuban market for Canada, we need only mention that Canada is third among the island's suppliers, after the Soviet Union and Japan. To overtake Japan in the Cuban market would be seen as an important victory by the Canadian Government in seeking world markets for Canada's products.

### Only interests

In an excellent article in *Le Devoir* in February 1976, Professor Jacques Gélinas, after a detailed analysis of the economic and political issues in Canada-Cuba relations, came to the conclusion that "Canada, despite appearances and in relation to its attempt to carve out an independent foreign policy, 'has no friends, only interests' ". The word "interests" must not be interpreted too narrowly. Canada certainly seeks to satisfy those interests that can be of value to the nation and the Canadian economy. In the case of Cuba, however, Canada's presence exceeds these limited bounds. In effect, Cuba is a Third World country that has set itself, with no small degree of success, squarely on the road towards a healthy, development oriented economy. In contrast to the other countries in this situation, Cuba seeks, above all, to stabilize its economic autonomy. (This is also true of its relations with the Soviet Union.) According to Professor Gélinas, Cuba has gone even further, in having "accomplished a certain internal accumulation of capital and steady growth in its productive capabilities". Having adopted a policy of international aid as the basis for most relations with less-fortunate countries, Canada seems to have found Cuba an interesting example of development.

Prime Minister Trudeau's visit was the crowning touch to a year of intensive discussion between representatives of the two countries. It was in March 1975 that Mr. Gillespie initiated closer Canada-Cuba relations with the signing of a \$100 million line of credit for Havana. Since then, joint projects worth \$500 million have been announced. There is a great variety of products involved, including iron and steel, pulp and paper and raw and maritime commodities, as well as the output of animal husbandry and dairying and of the hospital sector (notably pharmaceuticals). To this impressive list of products can be added the technical training programs organized by Canada and the continuing growth of Canadian tourism in Cuba (6,000 to 12,000 visits

*Territorial waters extension requires support of Latin America*



during the 1974-75 season and nearly 30,000 during 1975-76).

The above list of projects and products shows that the agreements in all areas clearly favour the long term. The sale of 20 diesel locomotives by M.L.W. Worthington of Montreal, the 50 ore-cars from Wajax International, the production of cardboard cartons used for shipping eggs, the presence of sizeable herds of Canadian livestock, and, of course, the medical agreements already signed by Marc Lalonde providing for exchanges of medical personnel — all these agreements require either spare parts or technicians from Canada. For Cuba, the sale of sugar, seafood (especially lobsters), tobacco and rum gives equal encouragement to long-term trade with Canada. If Cuba is able to diversify its production further in such a way as to enlarge its Canadian market even more, we shall see perfect harmony, at least in trade relations between the two countries. Although it is extremely unlikely that Cuba will abandon the path of socialism to follow Canada (or *vice versa*), it is still obvious that this co-operation brings out a special quality in the dialogue between the two countries. If Mr. Trudeau's prediction is to be believed — that more and more developing nations will be choosing the Cuban model —, then this dialogue between Canada and Cuba may serve as a lesson to the members of the international community that have begun or will soon begin to develop.

If one assumes the desirability of keeping one's distance from the United States and agrees with Canada's intentions regarding development in Latin America in general and Cuba in particular, what other Canadian interests can be discerned in this friendship with the southern countries?

The Organization of American States, in which Canada holds observer status, seems to have become inoperative of recent years. The other American countries regard it as functioning only in accordance with the interests of the United States. Canada, in establishing closer relations with Latin America, is moving more and more towards the role of judge or adviser in Latin America. In fact, because of the aid policy instituted by Canada, its image in Latin America tends to be positive. Canada's role in the South American continent appears more and more as a trump card, enabling it, among other things, to come of age in international politics, as Georges Vigny of Montreal's *Le Devoir* has observed.

Before the Cuban revolution, the United States enjoyed 60 per cent of the

Cuban market. It seems to have taken 14 years for Canada and Cuba to realize that they could take advantage of the opportunity to establish solid links between themselves.

### Several factors

According to Professor Jack Oglesby, ("Continuing U.S. influence on Canada-Cuba relations", *International Perspectives*, September/October 1975), Canada's position on the Castro regime was conditioned by several factors. In the first place, the Canadian public had had to rely in the main on information emanating from the American media. In addition, the Cuban links with the Soviet Union and the Cuban Government's interest in exporting revolution led both Mr. Pearson and Mr. Diefenbaker to remain within the limits of merely correct relations with Cuba. Professor Oglesby also states that the Cuban Government, for its part, perceived Canada as a close ally of the United States, which could not be treated with the same enthusiasm and friendliness shown towards fellow Soviet-bloc nations. It was only after the Department of External Affairs had revised its Latin American policy that the relation between the two countries finally changed. If one looks back at the economic balance between them, it can be realized that, from 1969 to 1976, Canada has made up for lost time.

Finally, there remains the question of Canada's role in the continuing situation of conflict between the United States and Cuba. Léon Mayrand thought that it was through a more active role within the OAS that Canada's contribution to the settlement of the conflict could be made. This Canadian intervention between Cuba and the United States could not, however, be made without preliminary discussions between the United States and the Soviet Union.

The special brand of *détente* that exists among the Latin American countries, the United States and Cuba will undoubtedly have an impact on *détente* in its more usual sense (*décrispation*, as Valéry Giscard d'Estaing calls it, or *razryadka*, as the Soviets call it).

In the meantime, although some expressed their shock when in February they heard the now famous "Viva Cuba! Viva el Primer ministro Commandante Fidel Castro!", it cannot be denied that the friendship that exists between the Canadian and Cuban peoples may be a new symbol of good relations between the "haves" and the "have-nots" in the international system.

*Canadian role  
in conflict  
between Cuba  
and United States*

# Law of the Sea Conference: report on New York session

By Paul A. Lapointe

Those who are familiar with law-of-the-sea issues will be aware that the Third United Nations Conference on that topic, formally convened in New York City in December 1973, has now held three full substantive sessions, in Caracas, in Geneva and, more recently, in New York, but has yet to produce the long-awaited and much-needed new legal regime for the oceans it was given the mandate to establish. The reasons for what is to many a disappointing performance have been reviewed before in this publication and need only be recalled succinctly here: the extreme complexity of the issues and the large number of sovereign states (149) called upon to resolve them, as far as possible by consensus. The reasons for what is to others an encouraging process of negotiation, in spite of its slow pace, have also been examined in this publication (July/August 1975). Chief among these reasons were the emergence and the growing international acceptance of the radically new notions of "the common heritage of mankind" and "the exclusive economic zone". The purpose of this article is to consider the situation now confronting the conference after its last session (March 15 — May 7, 1976), the further progress made, the difficulties ahead, and the prospects for an early end to the negotiations, as well as for the adoption of a universally-acceptable convention on the law of the sea.

It will be recalled that at the end of the 1975 Geneva session, each of the chairmen of the three main committees presented to the conference an "informal single ne-

gotiating text" covering the subjects entrusted to his committee. These texts consisted of some 300 articles, as well as annexes, which for the first time attempted to provide formulations for the resolution of complex and interrelated problems. Until that time, participants had been required to deal with thousands of proposals and counter-proposals, often contradictory, which, taken together, were incapable of forming a comprehensive and intelligible law-of-the-sea convention. While it was made clear that the "informal single negotiating text" would only serve as a procedural device and as a basis for negotiation, it nevertheless represented a major step forward. From the point of view of substance, the texts, in spite of their informal status, also provided a clear indication of the probable outlines of the future regime of the seas by giving unambiguous expression, among other things, to the new conceptions of "the common heritage of mankind" and "the exclusive economic zone".

## Quick realization

Although the conference had before it a more manageable negotiating text, it was quickly realized at the beginning of the New York session that the decision stage had not been reached. First, delegations had not had a chance to comment on the "informal single negotiating texts" as they had been presented on the last day of the previous session. Secondly, the three texts, plus an additional document entitled "Dispute Settlement Procedures", prepared by the president of the conference on his own initiative, were still far from being generally acceptable to the conference participants. Many of the most important parts were highly controversial and incapable of producing a wide consensus. It was, therefore, decided that each of the three main committees, and the conference itself in plenary session, would adopt its own procedures for reviewing the texts, negotiating the controversial issues and eventually enabling each chairman (or

*Growing  
international  
acceptance  
of new notions*

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president) to produce revised single negotiating texts. It had been hoped that these revised texts would be available midway through the session. This soon proved to be too optimistic an estimate, and it became clear that a further session would be required before the conference would be ready to move to the next stage of its work.

It would be much beyond the scope of this article to explain in detail why each committee saw fit to adopt a different method of work or to describe the many formal negotiating groups that contributed to the achievement, or lack of achievement, of this session. These factors are undoubtedly important to a better understanding of the inherent difficulties facing the conference, but the main purpose of this article is to report on the results of the session and to look at the future. References to procedure will, therefore, be limited to those essential to understanding the substantive conclusions of the session.

### First Committee

The revised text for the First Committee, which deals with the regime of exploration and exploitation of the resources of the "International Seabed Area" beyond the limits of national jurisdiction, contains the most substantial modifications compared with the Geneva text. In general terms, the new formulations would appear to strike a more equitable balance between the views of the technologically-advanced states and those of the developing countries. Provision is made, for example, to allow activities to be conducted in the international area by the International Authority directly and exclusively, but also by other entities (whether states, companies, state enterprises or other natural or juridical persons) in association with, and under the control of, the Authority.

Further improvements are to be found in the more precise and more detailed provisions pertaining to the rights and duties of the Authority itself, the "Enterprise" (i.e. the operating arm of the Authority), and the other entities operating in the International Area. While dispute-settlement procedures and a precise statute for the Enterprise had been conspicuously absent from the Geneva text, these questions have now been covered in a comprehensive and generally acceptable manner in two annexes to the revised text.

That is not to say, however, that these modifications, some of which are bound to be of a rather radical nature when the old and the new texts are compared,

have found immediate acceptance among all participants. Nor is the new text devoid of formulations that are highly controversial. It is well known, for example, that the Group of 77 felt unhappy enough with the new revised text of the First Committee to lodge a written complaint with the chairman, arguing that they had not been sufficiently involved in the discussions that gave birth to the new text and that they continued to consider the former Geneva text as being relevant to the future work of the committee.

Of more immediate concern to the Canadian delegation was the late introduction in the committee of an annex related to the question of production controls over the mineral resources that will eventually be mined from the polymetallic (manganese) nodules that lie at the surface of the International Seabed Area. Until that late stage, there had been every reason to believe that, if there were to be production controls, particularly on nickel — the key mineral component of the nodules —, land-based production would be adequately protected. However, it had been assumed that a method could be devised that would allow both land and seabed sources (not just the latter) to grow concurrently on the basis of percentages reflecting actual annual fluctuations in nickel demand. What happened, however, was that a control formula (now in Annex 1 of the revised text) appeared out of the blue, based on an arbitrarily-established 6 percent increase *per annum* in nickel demand. According to this formula, if the actual nickel demand turns out to be lower than the arbitrary 6 percent minimum figure, or if demand actually decreases, the result could be a limitation on land-based production, since the International Area allotment will continue at the 6 percent minimum. Since present statistics and forecasts point to a figure much lower than 6 per cent, the concern of the Canadian delegation, as well as of present or potential land-based producers, is understandable. However, the chairman, in his introductory note to the revised text, indicated his awareness of the need for more careful consideration of this matter, adding that specific attention would have to be directed to the projected rate of increase for nickel demand.

*Protection needed  
for land-based  
production*

### Second Committee

The Second Committee deals with most of the "traditional" law-of-the-sea questions — the territorial sea, international straits, fisheries, continental shelf, islands, high seas etc. — and with the most important

“new” conception — the 200-mile “exclusive economic zone”. Nevertheless, the 137 articles on Second Committee matters contained in the Geneva text commanded the widest support of the three parts of the Geneva text. There still remained, however, enormous difficulties to be surmounted — particularly, as it turned out during the New York session, concerning whether special rights or privileges would be granted to the group of land-locked and “geographically-disadvantaged” states. This group of states came to be known as the LL-GDS.

Over 3,700 interventions were made and over 1,000 amendments proposed during the Second Committee’s deliberations. It is quite remarkable that the Geneva text was able, in most cases, to withstand this onslaught, so that the New York revised text is very close to its Geneva predecessor.

A number of serious issues remain, however, as the chairman has conceded in his introductory note to the revised text. To name but a few, one can list: the problems raised by the LL-GDS, which took a part of the committee’s time but were left unresolved; the problem of boundary delineations between adjacent or opposite states; a technical and precise definition of the “outer edge of the margin” worked out by continental Canada and a number of other states, which was received sympathically but was left over for further study; and the question of the relation between the “exclusive economic zone” and the “high seas”.

Despite these problems, however, considerable progress occurred. In spite of attacks made during the session on the conception of the 200-mile “economic zone”, it emerged even more firmly entrenched in the revised text. Improvements were made in the provisions concerning fisheries, especially in the “anadromous species” (salmon) article. However, the revised text reaffirmed the coastal state’s sovereign rights over the resources of its continental shelf, even where the shelf expanded beyond 200 miles. The revised text combines this with a system whereby the coastal state would give to the international community, for the benefit of the developing countries, a portion of the resources it derived from exploiting the resources of its continental shelf beyond 200 miles.

On balance, two major difficulties remain in the Second Committee:

1) As referred to above, the LL-GDS problem will have to be resolved. Although the demands of some members of this group have been extreme and their tactics

at times disruptive, a way out must be found.

2) Many of the problems raised by international navigation in the territorial sea, economic zone and straits used for international navigation would appear to a casual observer to have been resolved in the revised text. But there may be trouble just below the surface. A group of about 30 states, many of which border on some of the major international straits, have not yet accepted the “impeded transit” requirement, which would apply under the revised text to most international straits. Others continue to have questions on the definition or characterization of “straits used for international navigation”. Still others are concerned at the apparent erosion of the coastal state’s powers in its own territorial sea.

### Third Committee

The mandate of the Third Committee concerns the protection and preservation of the marine environment, marine scientific research and the development and transfer of technology. Of these three questions, the first one is undoubtedly the one that could have the most important impact on the conference, as it involves the respective rights and obligations of coastal, flag and port states over pollution by ships. It is essential, on the one hand, for coastal states to be assured that the marine environment will not be imperilled; but also, on the other hand, to guarantee that international commerce and communications by sea are not unjustifiably impeded.

The revised text is a major improvement over the Geneva text, particularly in that it provides much more adequately for the control and regulation of vessel-source pollution. For example, one article specifies that dumping within the territorial sea and the economic zone or on the continental shelf shall not be carried out without the express prior approval of the coastal state. Coastal states may now also enforce in their economic zones laws and regulations for the prevention of pollution from vessels “conforming to and giving effect to international rules and standards established through the competent international organization or general diplomatic conference”. Together with a new article on “ice-covered areas” that gives international sanction to Canada’s 1970 Arctic Waters Pollution Prevention Act, these provisions represent progress. However, coastal state powers would appear to be still too circumscribed, particularly within the territorial sea and with respect to enforcement. Through a number of cross-references b

*Geneva text  
withstood  
onslaught  
of amendments  
at New York*



Between the different parts of the text, it could seem that much of what is granted to the coastal states could be taken away by resort to the settlement-of-disputes procedures.

With respect to marine scientific research, the heart of the matter has been, and is likely to remain, the question as to whether the consent of the coastal state is required before any research activities are undertaken in its economic zone or on its continental shelf. The solution incorporated in the revised text goes some way towards a workable compromise, by making the consent of the coastal state necessary but also specifying that this consent will not be withheld unless the project:

“(a) bears substantially upon the exploitation and exploitation of the living or non-living resources;

(b) involves drilling or the use of explosives;

(c) unduly interferes with economic activities performed by the coastal state in accordance with its jurisdiction as provided for in this Convention;

(d) involves the construction, operation or use of such artificial islands, installations and structures as are referred to in Part Two of this Convention.”

Unfortunately, this formulation leaves the door open to different interpretations in such a way that the coastal state's consent requirement could become illusory.

#### New Part IV

In addition to the three parts produced in Geneva and revised in New York, there is now before the conference Part IV, which was circulated after the Geneva session by the president of the conference and later revised in light of the debate that took place during the New York session. Part IV is concerned with the settlement of disputes, and is regarded by many countries, such as the U.S.A., as a *ne qua non* of their acceptance of the whole new convention. As now drafted, the text provides that, when ratifying the convention, states will be required to opt for one or more of four basic procedures: the International Court of Justice; a new comprehensive law-of-the-sea tribunal; arbitration; or “special procedures”. In the event of a dispute, the procedure used could be the one previously chosen by the defendant state. A certain amount of protection of the coastal state's jurisdiction in the economic zone is provided by the requirement that local remedies first be exhausted; but this protection, unfortunately, does not seem to extend to marine-pollution controls. As this relatively new

text has not been the subject of as extensive debate as the other parts, it could well give rise to controversy at the next session.

While attempting to describe in the preceding paragraphs a number of developments that justify a fairly optimistic assessment of the future of the Third Law of the Sea Conference, care has also been taken to underline the very real difficulties that must be resolved before there can be a successful conclusion. It is a matter of concern that, in spite of positive advances on many fronts, such as on the innovative new conception of the “exclusive economic zone”, there is still a reluctance on the part of some groups to accept compromise formulations that would give them somewhat less than they had hoped for. A procedure must be found to isolate the most difficult unresolved problems and one more attempt made to negotiate solutions to these as rapidly as possible, so that the conference can move on to the decision stage. Even this procedure will be controversial, as it will appear to be ignoring “minor” problems of crucial importance to certain states. But the conference cannot continue to reread the same texts and remain deadlocked on a few major outstanding issues.

At its last meeting, on May 7, 1976, the conference considered the possibility of moving rapidly to the decision stage. At the next session, delegations could be faced for the first time with votes on matters of substance. If this should happen, great care will have to be taken to keep the voting procedure within manageable limits. As there are built-in delays in the conference rules of procedure before voting can take place, and since there are thousands of questions that could theoretically require votes, the whole process could become unmanageable unless it is handled sensitively.

The next session, which will be held in New York City from August 2 to September 17, will be crucial. Time is now of the essence. More and more states have been compelled to adopt unilateral solutions to protect critical fisheries resources; seabed technology is developing faster than the legal regime necessary to control activities in the International Seabed Area; and a majority of states is becoming impatient in the face of a minority that is either attached to rules clearly belonging to the past or making extravagant claims in order to compensate for what it alleges to be a geographical disadvantage.

The end may be near, if there is a political will to attain it.

*Reluctance  
to accept  
compromise  
formulations*

*Current session  
in New York  
will be  
crucial*

# Women: always diplomatic and more recently diplomats

By Allison Taylor Hardy

Joseph Pope, Under-Secretary of State and Deputy Registrar-General, appeared in May 1907 before a royal commission on the Civil Service. At that time, he had been with the Canadian Government for about 28 years, including seven as Assistant Clerk of the Privy Council and, more recently, 11 as Under-Secretary of State. His examination by the commission chairman revealed that he had had a great deal to do with "la haute diplomatie", as the chairman called it.

A follow-up memorandum from Pope to the commissioners expressed his views on "the desirability of establishing a more systematic mode of dealing with... the external affairs of the Dominion". The Department of External Affairs was established in 1909 and Mr. Pope, later Sir Joseph, became Under-Secretary of the fledgling department.

Pope had been asked by the royal commissioners about women in the service. It was difficult at that time, evidently, to get qualified young men to enter the Government. Pope felt that the number of women coming into the service was inordinate. Of their employment, he commented: "Speaking generally, I do not think it desirable, though I know of several exceptions. But I am speaking of the general principle, because I find that as a rule women clerks claim the rights of men and the privileges of their own sex as well."

The commissioners questioned several other deputy ministers as well. The Deputy Minister of Labour, W. L. Mackenzie King, suggested that it was doubtful whether the young ladies serving in his department as temporary clerks were worth their \$500 annual salary. The Deputy Minister of the Interior, W. W. Cory, commented that

there were some very able women in the service, but he felt that, in the performance of the useful duties assigned to them, they could not rise to a level worth more than an annual salary of \$1,000.

The commissioners asked Mr. Cory about the likelihood of political pressure on an exceptionally gifted woman were to be promoted. "... Once you promote a woman," he replied, "if you raise her from one class to another, pressure, both from inside and outside the service, and not necessarily political, is brought to promote other women from the subordinate ranks...".

The Deputy Minister of Finance, T. C. Boville, was asked if there was any restriction on the age of female applicants. "There is no restriction in the case of temporary clerks," he said. "... Most of the women we employ are, I should say - one cannot be too curious - between 20 and 30 years of age... Our aim is to get good, intelligent women, of good character and women whose health is sufficient to enable them to stand the stress of a good deal of hard work." The commissioner interrogated Frank Pedley, Deputy Superintendent-General of Indian Affairs, on how he planned to replace senior male clerks when they retired. All members of the commission protested their lack of prejudice against women but, according to Mr. Pedley, their views "had been moulded so largely by experience" that they would think of filling superior positions with men only. "Of course," he added, "the proper principle would be that if a woman is capable of filling a position she should get it. I do not see why she should be discriminated against because she is a woman."

Before the end of 1909, three young women were working for the Department of External Affairs: Emma Palmer, Grace Rankins and Agnes McCloskey. Miss Palmer had worked in the Secretary of State Department for a number of years and was on loan to the new department. Miss Rankins and Miss McCloskey had

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*Miss Hardy recently retired from the Department of External Affairs, which she joined in 1945. During her years in the Department, she served in Rio de Janeiro, New York and Washington, as well as in Ottawa. The views expressed are those of the author.*

*Sir Joseph Pope feared women would claim the rights of men*



and their appointments confirmed after passing entry examinations. The latter had been second in the Dominion in an examination held earlier in the year for Third Division Clerkships.

By 1925, Agnes McCloskey was recognized by the Chief Clerk as a "most capable, clever and energetic clerk . . .", and "has four clerks assisting her in her work". She subsequently rose to the position of Departmental Accountant and was unofficially known as the "Lady Deputy". When the Canadian Consulate General was opened in New York during the Second World War, she was appointed Vice-Consul, the first Canadian woman to serve abroad in that capacity with the Department of External Affairs. In her time, she was one of the very few senior women in the Federal Government service.

A 1943 issue of *Saturday Night* carried an article about Miss McCloskey. "As accountant of the Department," wrote Evelyn Cox, "she arranged the financial matters covering each newly-opened office, from the purchase of buildings to settling up of staff, furnishing of offices and residences, regulation of expense accounts. Still, everybody remained 'family', and Agnes, guardian angel for them all, sent messages to children left in Canadian schools by parents on foreign service, visited suddenly-abandoned apartments everywhere from Russia to New Zealand, always had an amazing assortment of house-keys, private letters, powers of attorney, and other personal oddments stowed away in the drawers of her desk, finding time to execute bits of family business for our representatives in far-away places. She was, in a word, an institution in the East Block. She is also what you call 'a chip off the old block'. There is right and a wrong way of doing things and Agnes believes in things being done right. Many a youngster, newly expanding his wings in Canada's foreign service, has been summarily clipped by the lady who both sat on the Personnel Board that selected him for the Department and decided where he should go, and then handled his expense account."

Staff expansion in the Department of External Affairs during the 1920s and 1930s was relatively modest, but it did allow for the entry of Lester Bowles Pearson in 1928, the appointment of a new Under-Secretary, Dr. O. D. Skelton, in 1925 and the arrival from Queen's University a year earlier of Marjorie McKenzie as a Stenographer Grade 3. Holder of a bachelor of arts degree and a master of arts in French and German, she was typical of many women who entered the Department at

the start of the Second World War, accepting appointments as clerks and stenographers but, in fact, doing the work of officers. They came from universities, from other government departments and agencies and from home. Restrictions on the employment of married women were relaxed during the war.

As hostilities drew to a close, new missions were opened and plans were made to re-open some that had been closed because of the war. Recruiting from, rather than for, the military was taking place in Canada and abroad, and new faces were seen in the East Block corridors. Many of the women who joined in the mid- and late 1940s came from the Navy, the Army and the Air Force, took a few weeks or months of training in Ottawa and then set off for other strange and little-known capitals. Many of them had left good jobs to join the military services, but they delayed returning to them until they had tried External Affairs. Most of them entered as clerks and stenographers, as had their precursors — eager to serve their country in peace as those in war. At the same time, a few came into the Department after service abroad with other allied governments, especially the British. Recruits were drawn from the private sector as well — the war had shaken up their world, too.

In 1947, women were allowed for the first time to write the competitive Foreign Service Officer examination. Qualifications on the ground of sex were at last put aside. In 1945, an issue of *Saturday Night* carried another article by Mrs. Cox, this time on Miss McKenzie: "Back in 1930, as a *tour de force*, she wrote the departmental examination for Third Secretary, just to see what she could do, though knowing no woman was eligible for appointment and equally certain she herself could never either manage or endure the social requirements. She wrote a brilliant paper." Miss McKenzie "passed" officially in 1947. Listed with her in the first edition of the External Affairs biographical register in 1949 were nine other female officers, some of whom had joined as clerks, wartime assistants, etc.: Dorothy Burwash, Frances Carlisle, Mary Dench, Jean Horwood, Agnes Ireland, Elizabeth MacCallum, Katherine Macdonnell, Marion Macpherson and Margaret Meagher. The majority had become Foreign Service Officers.

Diplomatic missions were opened in Egypt, Israel and Lebanon in 1954 and, in October of that year, Elizabeth MacCallum became Counsellor and Chargé d'affaires a.i. in Beirut. She was born in Turkey, and her knowledge of Near Eastern affairs was

*Postwar expansion led to increase in recruiting*

reflected in more than 20 monographs published by the Foreign Policy Association of New York, where she had worked for six years before joining the Department in 1942. Soon she had become the drafting officer for Middle Eastern affairs in the Department and her desk could probably have been termed the Middle Eastern Division of the day. She served as an adviser on a number of Canadian delegations to United Nations conferences, including the San Francisco Conference in 1945, several special sessions on Palestine in 1947 and the General Assembly session of the same year.

The etiquette of diplomacy may seem old-fashioned to those outside the foreign service, but it has a place all its own. Its rules and regulations are familiar to foreign offices and the diplomatic community in national capitals throughout the world. One feature of the etiquette is the precedence to be accorded to diplomats; another is how they should be addressed. There was some difference of opinion in the Department on how Miss MacCallum should be addressed in Beirut, whether as "Madame le Chargé d'affaires" or as "Madame la Chargée d'affaires". The majority seemed to believe "Madame la Chargée" the more acceptable form. On her arrival in Beirut, however, she was told by the Papal Nuncio that the matter had been discussed in the diplomatic corps two weeks earlier and an almost unanimous decision taken that the form "Madame le Chargé" should be used. This was accepted by the Department, though it led to some confusion in the mind of at least one diplomat, who, in writing to welcome Miss MacCallum to Lebanon, began his letter "Monsieur le Chargé et cher colleague".

The first female Canadian head of post was Margaret Meagher, who was appointed Ambassador to Israel in October 1958. A year earlier she had come to Tel Aviv as Counsellor and Chargé d'affaires a.i. As Canada's diplomatic service expanded, dual accreditation was adopted as a means of extending diplomatic recognition to a second country where it was not possible — usually for administrative reasons — to establish a resident mission. Essential business could thus be carried on from another capital. In 1961, while she was Ambassador to Israel, Miss Meagher was appointed, concurrently, Canadian High Commissioner to Cyprus.

Since the wearing of two hats caused Miss Meagher no difficulty, during her term as Ambassador to Austria (which began in 1962) she also served as Governor for Canada on the Board of Governors of the International Atomic Energy Agency,

which had its headquarters in Vienna. In 1964, Miss Meagher was appointed Chairman of the Board. She was High Commissioner to Kenya and Uganda concurrently for over two years and took up residence in Stockholm as Canadian Ambassador to Sweden in 1969. While serving in Sweden she headed the Canadian team that entered into the negotiations with the People's Republic of China that led eventually to mutual recognition and the establishment of diplomatic relations. When she finally returned to Canada, she moved to the city of her birth, Halifax, and the Department's first female Foreign Service Visitor at Dalhousie University, for the academic year 1973-74.

Miss Meagher did not find special problems in being a woman in what was largely a man's world, though her first posting, late in 1945, to Mexico as a Third Secretary (local rank) was made before the Department had established any scale of allowances for women officers. She suggests that she may have been fortunate in the choice of the countries to which she was sent as head of mission, but she was never conscious of any difficulty because of her sex. Not only the governments to which she was accredited but the local diplomatic corps, representing a variety of cultures and backgrounds, were willing to accept the judgment of her home government in her selection. She was the first woman to be a head of post in Israel, Austria and Kenya and the second female Ambassador in Stockholm. Whether, at the senior level abroad, it continues to be a man's world may depend, she suggests, on changes in society, so that a married woman with a husband and children and dependents can accept such an appointment without any problems.

Before her recent appointment as Chairman of the Tariff Board in Ottawa, Pamela McDougall had, since January 1974, been Director General of the Bureau of Economic and Scientific Affairs. This bureau level of management had been created in the early Seventies to occupy a position intermediate between the Assistant Under-Secretary level and the divisional level. Miss McDougall joined the Department of External Affairs in 1949 as a Clerk 3, and became an officer two years later. She served in a variety of divisions and at several posts before being appointed Canadian Ambassador to Poland in 1968 — the first woman to hold this post. On her return to Ottawa three years later, she was seconded to the Privy Council, first as Assistant Secretary to the Cabinet for External Policy and Defence and the

*Appointment  
of women  
led to questions  
of protocol*



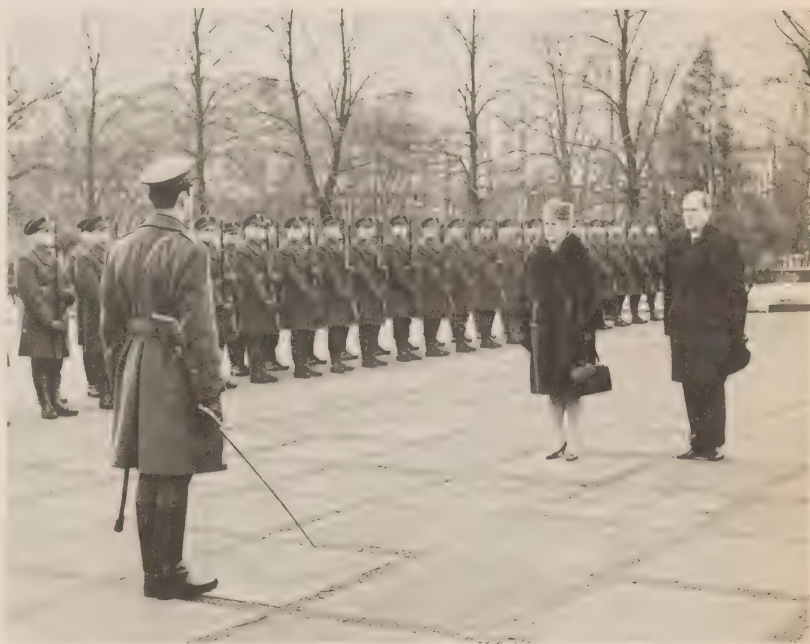


Assistant Secretary for Government Operations.

At the time of the 1970 foreign policy review, the need was recognized to develop new personnel policies and modern management techniques. To enhance the professional development of the career foreign service, personnel mobility programs are being progressively included in the rotational structure, where movements of officers from External Affairs to other federal or provincial departments on secondment or temporary loan and to or from international organizations, the academic community and the business world can be undertaken when the operational requirements of the Department have been satisfied. Miss McDougall found that her Privy Council job provided her with a glimpse of the international concerns of other federal departments, besides offering her an unfamiliar perspective on foreign policy and the Department of External Affairs. Like Margaret Meagher, she experienced difficulty in her role of Ambassador in Warsaw. The quality of her work earned her a doctorate of laws from her alma mater, Mount Allison University, which she received in 1969.

Another officer, now on secondment to the Department of Energy, Mines and Resources as Special Adviser, Energy Policy, is Margaret Loggie, who has found herself accepted on account of the quality of her work alone. Women officers were a novelty when Miss Loggie was at the Canadian Embassy in Mexico City.

## *Or Is It?*



*Two of Canada's first female ambassadors inspect the guards of honour that were turned out for the ceremonies surrounding the presentation of their credentials: top — Margaret Meagher, Jerusalem, October 1958; bottom — Pamela McDougall with her all-male guard of honour in Warsaw.*

There were four of them, out of a total of 11 officers including the Ambassador. Trade, tourism, administration and general relations were their responsibility.

Miss Loggie was Chargé d'affaires in Beirut when heads of post were invited by the Foreign Ministry to be received by the Emir of Kuwait at his summer residence.

One European ambassador who was asked his opinion about the attendance of a woman Chargé advised strongly against her going. The Protocol Officer, however, said she should go — “perhaps I’ll just tell the Emir’s secretary”. The secretary replied: “Of course, she should come. But perhaps I’ll mention it to the Emir.” The result was that, of all the heads of post present, the Canadian Chargé was the one the Emir could most easily identify and he and Miss Loggie had a cordial conversation.

Marion Macpherson, the present Canadian High Commissioner in Sri Lanka, is another officer whose career has followed a pattern typical of so many in the Department: work in Ottawa in eight or more divisions (one of which she headed), three postings abroad, and a slight pause for the Career Assignment Program — all before she reached Colombo. Included in her experience, as in that of Miss McDougall, was a posting to Vietnam, as an adviser to the International Commission for Supervision and Control.

Dorothy Armstrong has been Director of the Northwestern European Division since 1974. Her experience has included administering aid matters at the High Commission in New Delhi and serving as Permanent Delegate on the Development Assistance Committee when she was with the Canadian Mission to the Organization for Economic Co-operation and Development in Paris — all before joining the Canadian Embassy in Bonn in 1968 as Counsellor for economic and labour affairs. On her return to Ottawa in 1973, Miss Armstrong joined the Policy Analysis Group as Deputy Head, where there was an opportunity to study and put together into a comprehensive pattern long-range foreign-policy objectives for Canada.

Three women in the Department have received the Order of Canada: Elizabeth MacCallum, recipient of the Medal of Service in the first group in Centennial Year, who later became an Officer, for her achievements in various posts in the Canadian diplomatic service; Margaret Meagher, appointed an Officer in 1974 for her career in diplomacy and her contribution to international affairs; and Pauline Sabourin, who became a Member in 1974 in recognition of her service as private secretary to many Under-Secretaries of State for External Affairs. Miss Sabourin entered the Department in 1949 as a Stenographer 2 and is now an Administrative Services Officer. The Department is attracting more young women whose mother tongue is French and who are able to continue working in French with their bilingual colleagues at a number

of posts, as well as in certain headquarters sections in Ottawa.

The Canadian Medal of Bravery was awarded in 1973 to two members of the staff of the Canadian Embassy in Peking, Margaret Cornish and Ann Dale-Harris. While skating near a group of children in January of that year, the two young women helped to rescue four-year-old Wu Min-Tung when the boy’s toboggan broke through a patch of thin ice. In a letter to the two Canadians, his parents wrote: “Your action demonstrates your friendship and feelings for the Chinese people and has deepened the friendship between the peoples of our two countries.” The headline to the *Chinese People’s Daily* story was “Canadian Aunts Save Me”.

The career pattern for the postwar entrants who joined as clerks and stenographers has been varied. To some, the nomadic life has so much appeal that Ottawa catches only fleeting glimpses of them between postings. One woman has just reached Singapore on her ninth posting. She enjoys working abroad, preferably at small posts where there is a little bit of everything to do. Now she knows that wherever she goes, she will find friends in other capitals or will meet in Ottawa someone who has just arrived, introduced to her by a colleague at a Canadian post abroad. The network is world-wide.

According to a former Chargé d’affaires at the Canadian Embassy in Athens, the secretaries at any post abroad are its most important members. On the day of a *coup d’état* in 1967, he recalls, he woke up early to the sound of martial music and to smooth, reassuring voices proclaiming that the situation was in hand. When he tried to reach the Chancery later in the morning, he was stopped at the first road-block and was unable to proceed. Every male member of the staff had the same experience; none got through. But every secretary did. Each had talked her way through the tanks and the machine guns and each was at her desk on time.

In the mid-1950s, a number of the postwar recruits, who had served both in Ottawa and abroad, were selected as External Affairs Officers — a blanket title for the heterogeneous collection of duties they were already performing. With the beginning of collective bargaining in the Public Service and the need for a recognizable classification, they, as well as the male colleagues, became Administrative Service Officers. During the last few years those who were confirmed as rotation were transferred, in a “one-time” operation, to the Foreign Service category. Those who preferred to remain no

Three women  
from External  
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Order of Canada



ational have continued in the personnel, information, cultural and other specialist fields.

Restrictions on the employment of married women in the Public Service, which had been reimposed in 1947, were revoked in 1955. Romances, naturally, had frequently blossomed in the Department, and a number of women had given up their jobs for marriage. The role of wives is important, particularly in the Service abroad. As one senior Canadian ambassador recently stated: "...Without wives the Service could not be as effective and as representative of our country as it is now." He added: "They are the ones who ensure the show remains on the road." Now that it is no longer necessary to stop working in the Department after marriage, more young women are carrying on, even after the birth of children. Postings to the same mission have occasionally been arranged for husbands and wives employed in the Department, or in cases where one spouse may be in another department that has its own operations abroad. Recently, some young women have accepted foreign postings and taken their husbands, and occasionally their children, with them. At the moment, the whole question of spouses who have their own careers outside the foreign service is a matter of concern to rotational families.

While International Women's Year was not a "watershed", it was a time for pause and reflection. A Women's Bureau had been established in the Department of Labour in 1954; the Royal Commission on the Status of Women in Canada, set up in 1967, brought in its report three years later; a member of the federal Cabinet is responsible for the legislative, statutory and administrative changes necessary to implement the commission's recommendations, particularly those aimed at the Public Service; a Co-ordinator, Status of Women, has a supervisory role in the Privy Council Office; an Advisory Council on the Status of Women represents the private sector; and the Public Service Commission has an Office of Equal Opportunities for Women. The Department of External Affairs has its own EOW Committee.

As a prelude to IWY (1975), a United Nations interregional meeting was held in Ottawa in September 1974 to study various national mechanisms throughout the world that might be adopted by other countries where the status of women needed improving. The Canadian case study was well received. A Canadian delegation took part in the UN International Women's Year conference in Mexico last

summer. Canada voted in favour of the Plan of Action, which provided for measures at the national level during the next ten years, proclaimed as the UN Decade for Women and Development, with a follow-up conference in 1980. One recommendation in the Plan of Action was carried out here this spring when the Cabinet agreed that the Secretary of State for External Affairs, in exercising his authority to approve proposals for participation in international conferences, should ensure equitable representation of both sexes on all Canadian delegations.

The Federal Government, through the Treasury Board, has recently enunciated a policy of equal access to employment, training and development, and career opportunities for all employees. External Affairs has reported, as requested, on its plans for the current fiscal year, and will report in March 1977 on plans for 1977 to 1982. The activities undertaken by the Department are a response to the changing social and economic needs of all its employees rather than to the special problem of equal opportunities for women. These include: the removal of the age-limit on the entry level to the Foreign Service group (which has meant employment for widows now serving abroad); new categories of employment open to women, resulting in the posting abroad in 1975 of the first female security guard, the widow of a member of the Department; the promulgation of a policy on the employment of spouses and dependents abroad, if this is acceptable to the recipient country; issuing of diplomatic and special passports in the maiden name of a female applicant if the host country does not object; and arranging for educational leave (occasionally on full pay, when the studies are academic and related to the work of the Department) or for technical studies that would be of help in more advanced work.

The foreign policy review also recognized the need for integration of the support services of the Government's foreign operations, to create a more closely-knit organization under each head of post abroad. This has brought into the Department a number of qualified women from other departments who, on their return to Ottawa from abroad, occupied desks in the Lester B. Pearson Building on Sussex Drive.

"La haute diplomatie" now embraces relations of many kinds between Canada and other countries, particularly through the Department of External Affairs, in the political, economic, defence, scientific, legal, consular and public affairs spheres.

*Cabinet decision  
on representation  
of both sexes  
on delegations*

*Recognized need  
for integration  
of support services*

The mainstay of the Department, the desk officer, male or female, carries out a variety of tasks that include the development of policy for consideration by senior officials and by the Minister. Shrewdly selected for their work, the women desk officers have shouldered their share of the load and have been given, and performed, work equal in value to that of their male colleagues.

The present Under-Secretary, Mr. H. B. Robinson, joined the Department in 1945, so that he has had some opportunity to become familiar with the work

of the women in the Department. He has paid tribute to their important contribution and their achievements: "While the number of women who have gained prominence in our ranks may be small thus far," he says, "it has included some quite striking personalities as well as women who have played a very substantial part in the development of foreign policy and in the carrying-out of foreign operations on behalf of the Canadian Government." "Those who join us in future," he adds, "will carry on and further enrich the tradition which this article describes."

## Parliamentary associations— useful but little-known forums

By Gary Levy

Members of Parliament wishing to increase their knowledge of international affairs may sit on the Standing Committee on External Affairs and National Defence, but more and more legislators interested in this subject are also participating in meetings of international parliamentary associations. Some parliamentary associations are affiliated with bodies established by international agreement, as, for example, the Consultative Assembly of the Council of Europe, the Western European Union or the European Parliament. Other associations are unofficial and not based on formal treaties. These are essentially private organizations and parliamentarians participate in them as individuals, not as representatives of their parties or governments. Parliamentary associations discuss parliamentary problems, and some of them adopt resolutions, although they are incapable of implementing any recommendations since such power rests with governments or intergovernmental institutions.

The origin of Canadian participation goes back to 1900, when Prime Minister

Laurier sent Senator Raoul Dandurand to Paris to represent Canada at the World Exhibition of that year. Numerous international meetings were held that summer in the French capital, and in August Senator Dandurand and a colleague, Senator William Hingston, happened to attend the tenth conference of the Inter-Parliamentary Union. There is no record of their participating in the formal proceedings and they made no official report upon their return to Canada. From this humble beginning, however, Canadian involvement in parliamentary associations has evolved to the point where, in 1975 alone, more than 100 Senators and Members of the House of Commons were delegates to some 30 plenary conferences, regional meetings, committee meetings, seminars and visits in connection with four international parliamentary associations—the Inter-Parliamentary Union, the Commonwealth (formerly Empire) Parliamentary Association, the North Atlantic Assembly (formerly NATO Parliamentarians' Conference), and the Association internationale des parlementaires de langue française—as well as two bilateral bodies, the Canada-United States Interparliamentary Group and the Canada-France Inter-Parliamentary Association. In 1964, the Speaker of the House of Commons appointed Ian Imrie as Co-ordinating Secretary for Parliamentary Associations; under his direction, an Inter-Parliamentary Relations Branch was developed and a permanent staff unit of Parliament re-

*Associations  
discuss  
parliamentary  
problems*

*Dr. Levy, a graduate of Saskatchewan, Carleton and Laval Universities, is employed by the Research Branch of the Library of Parliament in Ottawa. He has taught political science at the University of Ottawa and published articles on Parliament and parliamentary associations. The views expressed in this article are those of the author.*



responsible for organizing Canadian participation and co-ordinating briefings for delegates attending such meetings. Two other organizations, the Research Branch of the Library of Parliament and the Parliamentary Centre for Foreign Affairs and Foreign Trade, also provide material and staff support for Canadian delegations.

### **Growth in participation**

Despite the extent to which Canadian participation in these bodies has developed in the amount of time, energy and money (some \$700,000 in 1975) spent on them, they remain virtually unknown outside parliamentary circles. Aside from a book by Matthew Abrams on the Canada-United States Interparliamentary Group, there is a dearth of information about all aspects of parliamentary associations. If they are mentioned briefly in the memoirs of a particular politician or in the press, one is often left with the impression that they are little more than social clubs and that their meetings are really junkets that constitute a kind of patronage available to backbenchers who faithfully follow the party line. Such opinions are unwarranted, particularly in the absence of more systematic studies to assess the value of such meetings on the attitudes of parliamentarians. For anyone who takes the time to look into these associations there are good theoretical, strategic and practical justifications for their existence.

Perhaps the chief theoretical justification for a parliamentary association is the belief that most men have a strong desire to become better acquainted with their fellows and to know the real motives for their thoughts and actions. Conferences bring together parliamentarians from various countries and expose them to points of view they may otherwise not have an opportunity to hear. It may be agreed that more is required than a journey and a few banquets to bring about an improvement in international understanding, but the present state of the world attempts to broaden the outlook of people in positions of responsibility should be welcomed. The associations may also be justified on the grounds that parliamentarians are in a unique position to influence governments and mould public opinion in their respective countries. The delegate who is a backbencher today may become a cabinet minister tomorrow. Years later his opinions and actions may still be influenced by knowledge acquired during these parliamentary conferences.

The strategic justification for parliamentary associations is the fact that these

bodies, despite their non-governmental nature, often take on quasi-diplomatic functions as various countries use them as a platform to advance and defend particular policies or interests. On the great international issues of the day it would be naive to expect American or Soviet delegates to disagree publicly with their own governments' policies. On the other hand, parliamentary associations provide a forum where delegates can and do lobby for the policies of their own countries. In the case of Canada, participation in the Inter-Parliamentary Union was originally, in part at least, a way of quietly working towards gaining recognition from the rest of the world as a Dominion with a separate identity despite its membership in the British Empire. Delegates sought and attained independent status at these meetings well before the colonial conferences and agreements of the 1920s. More recently, participation in parliamentary associations has helped promote the Federal Government's purpose of having Canada recognized internationally as a French-speaking as well as an English-speaking country.

There have been occasions when a Canadian delegate has used the forum of a parliamentary association to criticize some aspect of government policy, but such examples are rare, partly because the topics discussed at these meetings are usually so general that representatives from countries with extremely different ideologies are able to find common ground. Thus it is not surprising that Canadian delegates, whatever their political affiliation, usually agree on most matters. Even in very informal associations such as the Canada-United States Interparliamentary Group, there is still a tendency for Canadians to find themselves in substantial agreement on a number of issues such as China, NATO or Cuba, and in substantial disagreement with certain American Congressmen and Senators who take part. On bilateral issues, Canadians, like citizens of most other countries, see themselves as having distinct interests and, if the Government of Canada has declared itself on an issue, even the delegates from opposite parties usually try to support it.

### **Unique profession**

Parliamentary associations also provide practical services to the legislator as a member of a unique profession. Perhaps the best example is the Commonwealth Parliamentary Association's annual seminar on parliamentary procedure at which selected parliamentarians from various Commonwealth countries come to London

*Parliamentary associations used as forum to criticize government policy*

to study and discuss the procedures and practices of Parliament. Anyone who has tried to master the intricacies of procedure will appreciate how useful this can be for new members, though prospective Speakers, Whips and House Leaders have also attended. The seminars, given by senior British parliamentarians and parliamentary officials, also serve as forums for the discussion and comparison of procedural innovations adopted in various countries. In 1973, the Canadian Branch of the Commonwealth Parliamentary Association organized a regional seminar on parliamentary practice and procedure bringing together delegates from both the federal and provincial legislatures. Meetings were organized on such items as the general rules of debate, the broadcasting of legislative proceedings, financial procedure, private members' business and the facilities and services available to members. A second such seminar was held in 1974, and similar activities in the future should increase the professional capabilities of legislators and indirectly add to the prestige of the parliamentary system itself.

A new development took place in 1975, when the Speakers of the House of Commons and the Senate brought together a group of parliamentarians to advise them on interparliamentary activities. This group consists of the chairmen of the various parliamentary associations and a few other senior parliamentarians nominated by the Speakers. This Inter-Parliamentary Council meets at the call of the Speakers.

### **Lack of reporting**

Although Canadian legislators have attended meetings of parliamentary associations since 1900, the Standing Orders have never recognized the principle that delegations have a duty to report back to Parliament on their activities and deliberations. As early as 1927, Senator Napoléon Belcourt introduced a motion to call the attention of the Senate to resolutions adopted by the Inter-Parliamentary Union at its conference in Washington and Ottawa in 1925. But this was an isolated example, never duplicated in either House during the years Canada sent representatives to the Inter-Parliamentary Union from 1900 to 1939 or to the Empire Parliamentary Association from 1911 to 1947. The situation began to change in the late 1950s, when Canadian and American legislators created a Canada-United States Interparliamentary Group. In forming this association, Canadian delegates agreed to report to Parliament and to keep the Department of External Affairs informed

of the discussions and developments that took place. For several years, reports were printed in the debates of both the Senate and the House of Commons, but in 1966 Speaker Lucien Lamoureux decided that these did not constitute proper appendices, and the practice was discontinued in the Lower House. The Upper Chamber continued to print these regular reports, as well as those of three other parliamentary associations. There are problems, however, in leaving the matter of reporting entirely in the hands of the Senate. For example, to date Senators have not participated in the Canada-France Inter-Parliamentary Association. Furthermore, the Senate may not always be represented on delegations for other associations or there may be only one Senator in attendance and, if he does not feel like making a report or if he becomes ill or preoccupied with other matters, no report is made for an entire year. The whole question of reporting is left entirely to the initiative of individual Senators and the selection procedure does not always take into account the likelihood of a Senator's making a report.

In 1969, the Executive Committee of the Canadian Group of the Inter-Parliamentary Union, while acknowledging the usefulness of reports in the Senate, sought to find some way to allocate time in the House of Commons for debating matters relating to parliamentary associations. The matter was referred to the Standing Committee on Procedure and Organization which rejected any change or amendment to the Standing Orders but agreed that debates should take place on activities and reports to allow Members to draw the attention of the Government to the resolutions, ideas and views put forward at such meetings. The Committee recommended that those Members who wished to discuss such matters should place a motion on the Order Paper under Private Members' Notices of Motion, and that, in such cases the House Leaders should give priority to establishing an early date for debate. This procedure was first used in 1973, when a Private Member's motion was introduced to call the attention of Parliament to the Inter-Parliamentary Conference on European Co-operation and Security in Helsinki. The matter was subsequently referred to the Standing Committee on External Affairs and National Defence which held four meetings on the subject and called witnesses from the Department of External Affairs and universities in Toronto and Ottawa. This did not become a regular procedure, however, and some Members of Parliament have continued to

*New group  
advises Speakers  
on activities*



that the Standing Orders make some provision for the work of these associations. On February 13, 1975, the President of the Privy Council gave notice of a motion that the Standing Committee on External Affairs and National Defence be empowered to hear reports from delegates attending interparliamentary meetings. While there was general agreement that reports ought to be received by the committee, there was some uncertainty about how this would work in practice. The Speaker therefore again asked the committee of Procedure and Organization to review the question. The matter is presently before the Committee, and the problem is basically the same — how to find a compromise that will satisfy both those who believe parliamentary associations perform a useful and important function and those who believe the House too busy to spend its time on matters emanating from such informal bodies.

#### Foreign affairs

In the past, parliamentarians have probably been less well-informed on foreign affairs than on other matters of public concern. To most legislators, the social and economic problems affecting their constituencies are far more real and immediate. There is normally little pressure from constituents urging Members to concentrate on international issues. Parliamentary associations have gone a long way towards encouraging interest in this area. I doubt conferences have sometimes been treated as junkets, and there will

always be individuals interested only in visiting exotic places, admiring magnificent buildings, attending banquets and taking carefully-planned tours. However, there are many others who do take advantage of the opportunities offered by these associations both for personal development and for occasional diplomatic manoeuvring. Moreover, in recent years changes in the method of selecting Canadian delegates have tended to favour serious candidates over those mainly interested in a holiday.

Parliamentary associations have possibilities and limitations peculiar to their nature and must be judged by criteria appropriate to their character. Parliamentary associations are basically concerned with intangibles such as the education of legislators, the clarification of issues and the improvement of communication, and they have not been, and probably never will be, subjects for quantitative analysis by modern social scientists. However, these associations are still part of the total political process whereby governments and individuals try to handle international problems and they add one more element to the total political equipment available to nations for the conduct of international affairs. Like that of other institutions, their usefulness depends mainly on the willingness and ability of participants to make them work. As far as Canada is concerned, there is evidence that more and more members are becoming increasingly adept at making use of opportunities offered by parliamentary associations.

*Additional  
element  
of political  
equipment*

#### Book review

## They called the man The Chief

Eugene Forsey

I found this a fascinating book. Some reviewers have been disappointed. I think it is because they expected too much. These, after all, were not Mr. Diefenbaker's years of power, and it is unreasonable to demand that he should reveal deep secrets of high politics — the more so because he is not retired, but is still in the thick of the fight, and seems to count that day lost when he has not made a speech, long or short, in the House of Commons or to one of the many audiences that constantly come to him for wit and wisdom.

The earlier chapters seem to me a valuable social document, painting a vivid picture of an age that has vanished almost as completely as the eighteenth century — the age that came to an end when, as Grey said, "the lights went out all over Europe", in August 1914. It was an age that knew not electronics, or the atom bomb, or nuclear power, or the population explosion; an age unconscious of pollution, or the danger of world shortages of food, raw materials and energy; an age when the railway was king, not threatened even

by the motor-car or the truck, let alone the aeroplane; an age when most decent people in English-speaking Canada were coming to look on alcohol as a danger rather than a god; an age in which freedom, across the whole world, seemed to be slowly broadening down from precedent to precedent, and when the march of "progress" and "civilization" seemed to be irresistible and destined to go on forever. This is the age Mr. Diefenbaker re-creates for us in his first 125 pages.

### Inimitable Diefenbaker

Even these pages are liberally (I hope Mr. Diefenbaker will forgive the adverb!) sprinkled with shrewd judgments of public men of those and later years, and the inimitable Diefenbaker jokes and the rich store of Diefenbaker stories. Many of these some readers will have heard before but, for me at least, they never pall; and to have them in print means not only that later generations will be able to share in the fun we have enjoyed but, what is more important, will have a better understanding of Mr. Diefenbaker's political successes and his abiding popularity.

With Chapter 8, the pace quickens. The tale of the Saskatchewan Liberal machine is a lurid one. Of course Mr. Diefenbaker is not an impartial witness, but there is plenty of evidence from other sources, including academic, to substantiate most of what he says; and, judging by what he has recounted to me in conversation, "the half hath not been told". One story that does appear here — of the planting of bootleg liquor in Mr. Diefenbaker's car during the 1926 election — comes in a very brief and expurgated version. The version I have heard in conversation was enough to cause "each particular hair to stand on end like quills upon the fretful porpentine". Another yarn of this period, less political, which I have heard in great and lively detail, and whose substance cannot be doubted, does not get into the book at all.

### Constitutional crisis

For me, perhaps I need hardly say, one of the most interesting parts of this book

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*Senator Forsey is recognized as the leading authority on the Canadian Constitution. He is a specialist on labour questions and has been a member of the Senate of Canada since 1970. Senator Forsey reviewed the third volume of the Pearson Memoirs in the November/December 1975 issue of International Perspectives. The views expressed are those of the author.*

is the account of the 1926 constitutional crisis. It is brief and devastating. But the statement that Mr. King, on his resignation, "refused to debate the issue" of Lord Byng's refusal of dissolution is rather too summary. He certainly did not say much about it in the House; what he did say was, characteristically, not unambiguous and perhaps hardly deserved to be called "debate". But he certainly said plenty of the hustings, in speeches that Mr. Diefenbaker sums up in terse, nervous English.

All Mr. Meighen's lieutenants, Mr. Diefenbaker says, were against his taking office. Presumably he got this from the men themselves, and I have no reason to doubt its accuracy. He also says that Meighen took office on the advice of "an Ottawa publicist, whose influence over him was greater than the combined experience and knowledge of the Conservative front benchers of the day". Who this may have been I do not know. I can think of two possibilities. But, from what Meighen told me, the decisive factors were two: the opinion of Sir Robert Borden, and his assurance that Borden's conviction that no other course would be consistent with honour and duty. Even the present Government, in 1966, explicitly said that the Governor General had power to refuse a dissolution of Parliament if it existed, and should continue to exist. Lord Byng had used that power, "rightly and properly", as Mr. Diefenbaker says, to protect the Constitution, as Lord Aberdeen had used another "reserve" power in 1896. Had Meighen refused to take office, the Governor's power to protect the rights of Parliament would have been disastrously, perhaps fatally, weakened. To refuse office would have been a dereliction of constitutional duty. In honour and conscience, the risk of misunderstanding and defeat had to be faced. "There must be something better than an ambition to be re-elected, or democracy will fall, even in this Dominion."

Besides, it is sometimes overlooked that there was good reason to believe that Meighen could secure the confidence of the House of Commons; he won four decisive votes there after he took office, and was defeated only by a broken pair, on a motion based on two propositions, mutually contradictory, and both demonstrably false. Who in the world could have predicted such a concatenation of circumstances?

Mr. Diefenbaker says that Meighen "treated King's synthetic arguments" (the central one he correctly calls a "transparent falsehood") "with contempt, refusing even to mention them". He d

*Lurid tale  
of Saskatchewan  
Liberal machine*



at them with contempt, but he did not  
 use to mention them. Under the law  
 it then stood, he had automatically lost  
 his seat in the House of Commons when  
 he accepted the Premiership; so he was  
 not in the House to answer Mr. King (if  
 it had been, the result of the final division  
 might have been very different). Outside  
 the House, he performed at least two  
 surgical dissections of King's case, one on  
 the hustings, one in *Maclean's Magazine*  
 a few weeks before the election.

### Transparent case

This was not enough. The falseness of  
 King's case was "transparent" to Mr.  
 Diefenbaker; it is, and was, transparent  
 to me; it is precisely because it was so  
 transparent to Meighen that he could  
 scarcely believe that any grown-up person  
 could swallow such nonsense. Elaborate  
 justification seemed to him as superfluous  
 as if he had been dealing with a believer  
 in a flat earth.

Mr. Diefenbaker pays eloquent trib-  
 ute to Meighen's character, intellect and  
 command of English. He calls the 1927  
 defence of his Hamilton speech "the best  
 political speech that I have ever heard".  
 Curiously, he seems to have forgotten  
 what the Hamilton speech said. It did not  
 propose "that never again should Cana-  
 dian men be sent overseas except by the  
 declaration of Parliament". What it did  
 propose, and Meighen made this crystal  
 clear, then and in 1927, was that never  
 again should troops be sent overseas ex-  
 cept after a general election had endorsed  
 the sending.) Clearly, however, he feels  
 that Meighen lacked political sense, and,  
 of course, was out of tune with the times  
 of his latter, I think, was true of his later  
 years, but not of his earlier).

### Clucking and screaming

Meighen moved right as he grew older,  
 B. Bennett moved left, and, in his  
 famous "New Deal" measures, started  
 a process of, as Mr. Diefenbaker says,  
 dragging the national Conservative Party  
 clucking and screaming into the Twentieth  
 century", a process that Mr. Diefenbaker  
 found thoroughly congenial, and that he  
 wanted to continue. Mr. Diefenbaker had not  
 supported Bennett at the convention that  
 chose him; he feared his "close identifi-  
 cation with the established economic in-  
 stitutions". But "I had not reckoned with  
 the independence of his character  
 and the strong influence of his Methodist  
 conscience". This last is a penetrating  
 comment. Bennett proposed his "New  
 Deal" because he had undergone a social  
 and political "conversion".

Mr. Diefenbaker pays a deserved  
 tribute to the social legislation Bennett  
 passed, and suggests that, had he gone to  
 the country on it immediately, he might  
 have won. I think he has forgotten Ben-  
 nett's serious illness while the bills were  
 actually before Parliament. But the chief  
 reason for the rout that actually took  
 place must, as Mr. Diefenbaker says, be  
 laid at the feet of Mr. H. H. Stevens, or  
 of Bennett's inability or unwillingness to  
 keep Stevens in the Cabinet. The two men  
 wanted the same things; their parting was  
 a tragedy for both, and for the Conserva-  
 tive Party, and for the country.

The genuineness of Bennett's "con-  
 version" has often been doubted. Mr.  
 Diefenbaker gives us striking evidence of  
 its depth and permanence. When Mr.  
 Drew was being suggested for the Con-  
 servative leadership, he says, the Kingston  
 Conservative Association urged Bennett  
 to "get behind him: he is going places".  
 Bennett declined: "George Drew and Con-  
 servative Party not going same places".  
 This is one of the many instances in which  
 Mr. Diefenbaker shows his imperfect sym-  
 pathy with Drew, though he acknowledges  
 Drew's brilliance, parliamentary skill, wide  
 knowledge and distinguished war record.  
 He records that one reason Drew was  
 chosen leader in 1948 was that many Con-  
 servatives believed that under him the  
 Union Nationale would be "behind our  
 Party. They did not say how far behind  
 us". Nonetheless, once Drew became  
 leader, Diefenbaker had, he says, no  
 ground for complaining of any unfairness.

### Pipeline omission

The brief account of the Pipeline Debate  
 lists five "valiant fighters" on the Op-  
 position side. The list does not include  
 Stanley Knowles — which is rather like  
 describing *Hamlet* without mentioning the  
 Prince of Denmark. There is also a curious  
 confusion of dates. The Speaker's decision  
 to accept Mr. Cameron's motion of privi-  
 lege came on Thursday, not Friday, and  
 his subsequent "proposition" that the  
 House should go back to where it had  
 been the night before came on Friday,  
 June 1, not Monday; indeed, to most of  
 us who were involved (a letter of mine to  
 the *Ottawa Journal* was part of the basis of  
 Mr. Cameron's motion), the day remains  
 etched on memory as "Black Friday".

Mr. Diefenbaker has, justly, much  
 to say of his defence of civil liberties,  
 both of the individual and of the per-  
 secuted minority. I wish, however, that he  
 had given more detail about his support  
 for the Japanese Canadians. The course

*H. H. C. Stevens  
 to blame  
 for rout  
 of Bennett*

*Hamlet  
 without  
 the Prince  
 of Denmark*

the King Government took was, he says, "wrong. I said it over and over again". Unfortunately, he does not say precisely where or when. It must have been mainly outside the House of Commons; or else the *Hansard* index is shockingly deficient.

Mr. Diefenbaker's publishers should be more careful about misprints when they come to the second volume, and his academic assistants might do a little more checking of certain details. "Chubby" Power's friends (and Irishmen generally) will be wounded to see his middle name spelt "Gavin", and they will be astonished

to hear that the son of William Power and Susan Rockett was "a French Canadian through and through".

These, however, are crumpled r leaves. This is a good and enthralling book, and makes me eager for the next volume, which should have infinitely more for the political scientist and the student of our political and constitutional history.

*One Canada: Memoirs of the Right Honourable John G. Diefenbaker: Crusading Years, 1895 to 1956.* Toronto: Macmillan of Canada, 1975.

## Book review

# They called the man Intrepid

By G. P. de T. Glazebrook

To many people the name Sir William Stephenson may recall little more than the head of a wartime organization in New York with the innocuous name British Security Co-ordination. Some flesh was put on the bones in *The Quiet Canadian*, written more than a dozen years ago by H. Montgomery Hyde. That step, says C. E. Ellis of BSC in a preliminary note, was taken to offset the information Kim Philby, who had recently defected, could pass to the Russians, but the degree of disclosure was adjusted to the incomplete knowledge possessed by Philby. The passage of time and the general policy of opening governmental files allowed the writer of this second book to draw freely on Stephenson's extensive records. This rich source, his own connection with Stephenson's work, and his experience as a writer enabled William Stevenson (the similarity of names is confusing) to tell a story much of which will be new to all but a handful of people and all of which is good reading, as well as informative. If parts of it are dramatic, that is not owing

to ingenious tricks by the author but arises out of the events themselves. It is a biography, but one mercifully free from undue personal detail; rather, it is a record of great accomplishments on the world scene.

### Two themes

Broadly speaking, there are two overlapping themes. One is the development and exploitation of intelligence of all kinds, and, related to that, unorthodox forms of warfare. The other is a description of the relations between the British and those Americans who chose to tread the tortuous paths leading to aid against the dictators. The early phases of both these stories belong to the years prior to the outbreak of hostilities in 1939, when a new urgency was added. In spite of widespread apathy in England before the war and belief that a peaceful settlement could be made with Hitler, quiet but important progress was made by those who cherished no such delusions. The Royal Air Force constructed its underground command stations, which proved to be essential in the Battle of Britain. New types of fighter aircraft were evolved with the aid of models from Stephenson's own factory.

He was one of those who were firmly convinced that knowledge of enemy intentions, strategic and tactical, would be a major factor in deciding success or failure in a war. Early interest in mathematics

*The new story is good reading and informative*

*Mr. Glazebrook taught history at the University of Toronto from 1925 to 1941 and returned to that occupation in 1963. In the intervening years, he was a member of the Department of External Affairs. During the war he was one of the officers of the Department who was in frequent touch with BSC. The views expressed here are those of Mr. Glazebrook.*



and science allowed his restless mind to explore methods of electronic communication and, on the other side of the medal, how to decypher messages. Once acquired, knowledge of enemy cyphers (and of enemy capacity to break British ones) could yield a further dividend in the transmission of false messages. That, incidentally, was only one aspect of deception, a part carried to a high degree by unknown men sitting in obscure offices. Because this was of special interest to Stephenson, the development of cypher-breaking occupies a substantial part of this book. For the most part it consisted of slow and patient work by men and women drawn from a variety of backgrounds but having in common a taste for solving puzzles. It was, says Stevenson, a study of German messages that made the escape from Dunkirk possible. There were other dramatic aspects, as in the attempts to secure the use of the German encyphering machines.

Intelligence, too, could be combined with sabotage and the encouragement of resistance movements. These were the tasks of those who called themselves "The Baker Street Irregulars", or — more officially — Special Operations Executive. Under General C. M. Gubbins, guerrilla warfare in all its forms was practised by fearless men and women whose chances of survival were small. Dropped behind enemy lines, they were sometimes equipped with wireless sets and sometimes with bombs. A number of the men were trained at a camp on Lake Ontario, east of Toronto. Although it was known in BSC as Camp X, to Ottawa officials it was "the country house". The curiosity of neighbours elicited various cover-stories — one, to explain explosions, being that the job was to study bomb-disposal. By a sheer chance, that explanation backfired when someone nearby actually discovered a bomb and called for help. Embarrassed and nervous officers picked it up without blowing themselves up (it was a dud). Elsewhere in the book are accounts of those heroic men and women who, after elaborate training, worked in occupied territory, never for a moment safe and in too many cases subjected to torture and death.

In all these, and related, activities, whether in the planning or operational stage, Stephenson was involved. As a successful business man with interests in many countries his travels, observations and conversations afforded his own private source of intelligence.

With most of Europe occupied and to some extent hostile, Britain, virtually bankrupt financially and close to that in fighting power, looked to the United States for

aid. On both sides of the Atlantic the obstacles were formidable. For purposes of co-operation the American Ambassador, Joseph Kennedy, was a liability, being defeatist and isolationist. As one whose political influence might well be thrown against Roosevelt, he was on balance less dangerous in London, even if an embarrassment. And the fate of the world hung in no small degree on the success of the skilful manœuvres of the President who, with Winston Churchill, was one of the two great civilians of the war period. Already enjoying the confidence of both leaders, Stephenson was instructed by Churchill to set up in New York a comprehensive intelligence agency to be known as British Security Co-ordination and given wide powers to conduct it in any way that he saw fit. In addition, he was to encourage whatever assistance could be, under the difficult circumstances, provided.

Every part of the work was delicate, for one false step might at once reveal BSC's secret moves and arouse the hostility of those who protested against interference in American affairs or regarded Stephenson as a menace to neutrality. Worst of all would be to compromise Roosevelt's delicate diplomacy. J. Edgar Hoover, head of the Federal Bureau of Investigation, was on the whole unco-operative or positively hostile except when he could be assured of gaining personal credit. With "Big Bill" Donovan, "Little Bill" Stephenson's relations were always close and mutually helpful; and it was BSC that drew up a plan for what became the Office of Strategic Services.

It would be impossible in a short space to tell even the outline of the story of BSC, an organization that, curiously enough, is not described as to its structure or personnel in this book. Suffice it to say that it grew in size and in its varied accomplishments. Stephenson himself shuttled between New York and London about once a month in the cold, stripped bombers, forming a human link between the President and the Prime Minister. Of another man, Harry Hopkins, who was later an additional and valuable liaison officer Stevenson makes bare mention.

### Canadian connection

BCS expanded within the United States and spread to Bermuda, which grew into an important centre for intelligence gained from intercepted letters and telegrams. The fact that BSC had close co-operation with Canada too is, however, hardly mentioned, except for the facts that Canadians were employed in BSC and that secret

*Fate of world  
hung on success  
of President's  
manœuvres*

*Stephenson was  
a human link  
between President  
and Prime Minister*

agents were trained at the "country house". In fact it was at Stephenson's insistence, and through a Canadian friend, that early contact was made with the Canadian authorities. The links were close. The Canadian forces (which do not seem to exist in Stevenson's book) were consulted in the intelligence field particularly. The Department of External Affairs (whose strange wartime history may perhaps some day be written) was in daily touch on a teletype line and officials, too, went back and forth between Ottawa and New York.

Indeed, it was on one of Stephenson's routine trips in the autumn of 1945 that he encountered the first critical stage in the Gouzenko spy case.

That is a curious omission, but not everything can be in one volume, and what we have is one of the most absorbing and illuminating books on the war and the period immediately preceding it.

*A Man called Intrepid: the secret war*  
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## Reference Section

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### Treaty Information

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##### Algeria

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Algiers, May 27, 1976  
In force May 27, 1976

##### European Communities

Framework Agreement for Commercial and Economic Co-operation between Canada and the European Communities  
Ottawa, July 6, 1976



Fiji

Exchange of Notes between the Government of Canada and the Government of Fiji Constituting an Agreement Relating to Canadian Investments in Fiji Insured by the Government of Canada through its Agent the Export Development Corporation

Canberra and Suva, February 25 and March 29, 1976

In force March 29, 1976

France

Air Transport Agreement between the Government of Canada and the Government of France

Paris, June 15, 1976

Gambia

Exchange of Notes between the Government of Canada and the Government of Gambia Constituting an Agreement Relating to Investments in The Gambia Insured by Canada Through its Agent the Export Development Corporation

Dakar, Senegal, and Banjul, Gambia, May 24, 1976

In force May 24, 1976

Germany, Federal Republic of

Exchange of Notes between the Government of Canada and the Government of the Federal Republic of Germany Amending the Agreement Concerning the Training of *Bundeswehr* Units in Canada (CFB Shilo) of January 24, 1973

Ottawa, February 26 and April 23, 1976

In force April 23, 1976

Ghana

Exchange of Notes between the Government of Canada and the Government of the Republic of Ghana Constituting an Agreement Relating to Foreign Investment Insurance

Accra, April 2 and June 10, 1976

In force June 10, 1976\*

Norway

Agreement between the Government of Canada and the Government of Norway on their Mutual Fishing Relations

Ottawa, December 2, 1975

Instruments of Ratification Exchanged

Oslo May 11, 1976

In force May 11, 1976

Poland

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Ottawa, May 14, 1976

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Agreement between the Government of Canada and the Government of the Polish People's Republic on Mutual Fisheries Relations

Ottawa, May 14, 1976

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Spain

Agreement between the Government of Canada and the Government of Spain for Co-operation in the Development and Application of Atomic Energy for Peaceful Purposes

Madrid, July 7, 1975

Instruments of Ratification exchanged

April 21, 1976

In force April 21, 1976

Agreement between the Government of Canada and the Government of Spain on their Mutual Fisheries Relations

Madrid, June 10, 1976

In force June 10, 1976

Sweden

Extradition Treaty between the Government of Canada and the Government of Sweden

Stockholm, February 25, 1976

Instruments of Ratification exchanged

June 25, 1976

In force June 25, 1976

U.S.A.

Exchange of Notes between Canada and the United States of America Extending until April 24, 1977, the Agreement on Reciprocal Fishing Privileges in Certain Areas off their Coasts Signed June 15, 1973, as Extended

Ottawa, April 14 and 22, 1976

In force April 22, 1976

Exchange of Notes between the Government of Canada and the Government of the United States of America Constituting an Agreement Concerning the Development and Procurement of a Space Shuttle Attached Remote Manipulator System

Washington, June 23, 1976

In force June 23, 1976

Exchange of Notes between the Government of Canada and the Government of the United States of America to Extend the 1973 Agreement Concerning the Use of Facilities at the Goose Bay Airport by the United States of America

Ottawa, June 28, 1976

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U.S.S.R.

Agreement between the Government of Canada and the Government of the Union of Soviet Socialist Republics on their Mutual Fisheries Relations

Moscow, May 19, 1976

In force May 19, 1976

\*This Agreement supersedes that signed August 18, 1975.

1976 Protocol to Amend the Interim Convention on Conservation of North Pacific Fur Seals

Done at Washington May 7, 1976  
Signed by Canada May 7, 1976

International Covenant on Economic, Social and Cultural Rights

Done at New York December 16, 1966  
In force January 3, 1976  
Canada's Instrument of Accession deposited May 19, 1976  
In force for Canada August 19, 1976

International Covenant on Civil and Political Rights

Done at New York December 16, 1966  
In force March 23, 1976  
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In force for Canada August 19, 1976

Optional Protocol to the International Covenant on Civil and Political Rights

Done at New York December 19, 1966  
In force March 23, 1976  
Canada's Instrument of Accession deposited May 19, 1976  
In force for Canada August 19, 1976

Protocols for the Third Extension of the Wheat Trade Convention and the Food Aid Convention, Constituting the International Wheat Agreement, 1971

Done at Washington, March 17, 1976  
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Canada's Instrument of Ratification deposited June 16, 1976

Fifth International Tin Agreement

Done at New York July 1, 1975  
Signed by Canada April 29, 1976  
Canada's Instrument of Ratification deposited June 30, 1976

**Publications of the Department of External Affairs**

Under this heading will be found a list of the most recent documents published by the Department of External Affairs on international affairs and Canadian foreign policy.

*Press Releases*, issued by the Press Office of the Department of External Affairs, Ottawa:

No. 36 (April 30, 1976) Visits to the Federal Republic of Germany and to Austria by the Secretary of State for External Affairs.

No. 43 (April 29, 1976) Seventh Meeting of Canada-Tunisia Joint Commission.

No. 44 (May 6, 1976) Visit to Canada of Minister of Foreign Affairs of Polish People's Republic.

No. 45 (May 7, 1976) Visit to Canada of Deputy Premier of Hungary.

No. 46 (May 12, 1976) Ratification of Canada/Norway agreement on mutual fisheries relations.

No. 47 (May 13, 1976) Special contribution of Canada to Italy.

No. 48 (May 14, 1976) Canada/Poland agreement on mutual fisheries relations.

No. 49 (May 14, 1976) Signature of air agreement between Canada and Polish People's Republic.

No. 50 (May 19, 1976) Canadian accession to international human rights covenants.

No. 51 (May 21, 1976) Appointment of two honorary consuls.

No. 52 (May 25, 1976) Diplomatic appointments.

No. 53 (June 1, 1976) Signature of Canada/U.S.S.R. agreement on mutual fisheries relations.

No. 54 (June 2, 1976) NEXUS percussion ensemble to tour Japan.

No. 55 (June 2, 1976) Framework agreement for commercial and economic co-operation between Canada and Commission of the European Communities.

No. 56 (June 4, 1976) Visit to Canada of Carlo Scarscia-Mugnozza, Vice-President of Commission of the European Communities.

No. 57 (June 10, 1976) Signature of Canada/Spain fisheries agreement.

No. 58 (June 11, 1976) Canadian representation at Seychelles independence celebrations.

No. 59 (June 15, 1976) Travel grants to Canadian professors teaching in foreign universities.

No. 60 (June 15, 1976) Travel grants to Canadians taking part in overseas conferences.

No. 61 (June 22, 1976) Visit to Canada of President of Republic of Senegal.

No. 62 (June 23, 1976) Canadian participation in United Nations peacekeeping activities in Middle East and Cyprus.

No. 63 (June 23, 1976) National Research Council of Canada joins National Aeronautics and Space Administration in development of space-shuttle system.

No. 64 (June 24, 1976) Donation to International Committee on the Red Cross (ICRC) for humanitarian relief in Lebanon.

No. 65 (June 25, 1976) Diplomatic appointments.

No. 66 (June 25, 1976) Ratification of Canada/Sweden extradition treaty.

No. 67 (June 25, 1976) Visit of Togo ministerial delegation to Canada.

No. 68 (June 30, 1976) Signature of agreement for economic and commercial co-operation between Canada and European Communities.



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. 76/14 Sharing and Survival. An intervention by the Secretary of State for External Affairs, the Honourable Allan J. MacEachen, at UNCTAD IV, Nairobi, May 7, 1976.

No. 76/15 Progress Towards International Agreement on Law of the Sea. From a statement by the Secretary of State for External Affairs, the Honourable Allan J. MacEachen, to the House of Commons Standing Committee on External Affairs and National Defence, Ottawa, May 11, 1976.

No. 76/16 Nuclear Relations with India. A statement by the Secretary of State for External Affairs, the Honourable Allan J. MacEachen, in the House of Commons, May 18, 1976.

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journal of opinion on world affairs

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Canada at the United Nations

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Security Council hot seat

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Cultural foreign policy

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Change in Spain and Portugal

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In memory of Mao Tse-tung





# International Perspectives

Cambridge  
Publications



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September/October 1976

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# Specific policies must reflect a return of global perspective

by J. King Gordon

To spend time discussing Canada's response to recent developments in the United Nations is trivial compared to examining Canada's response to recent developments in the world, in and through the instrumentality of the United Nations. What concerns — or should concern — Canada are world developments that are naturally reflected in some measure in the United Nations but possess reality and significance extending far beyond.

I confess to being something of a traditionalist. Back in the mid-Forties, I was a close observer of the UN, from the days it opened its doors in Hunter College and then moved into temporary quarters in the old Sperry plant at Lake Success. I was a correspondent for *The Nation* and later for the Canadian Broadcasting Corporation. In those informal days, you got close to national delegations, and I was particularly close to the Canadian one. I had the impression, in that first decade and beyond, that Canada's foreign policy was firmly grounded on an appraisal of the main features and main developments in the total world situation. It is a simplification, of course, to say that Pearson's goals for Canada's security and prosperity were inexorably linked with the achievement and maintenance of international peace and security. Nevertheless, that is essentially true.

Let me give an example. The date is 1950 and the scene Korea. MacArthur had capitalized on the brilliant military stroke of the Inchon landings by driving north and bombing near the Yalu despite the warnings of Chou En-lai that the pursuit of this policy would be regarded as a threat of China. He persisted. The Chinese counterattacked and drove the forces of the UN Command south across the Thirty-eight Parallel. Truman made some reckless remarks about the possible use of atomic weapons, which Pearson, then Secretary of State for External Affairs, challenged as dangerous and irresponsible. At the UN General Assembly in New York, Pearson was named to a three-man com-

mittee to attempt to bring about a ceasefire and draft terms for an armistice. The other two members were Nasrollah Entezam, President of the General Assembly, and Sir Benegal Rau of India.

I saw quite a bit of Pearson at this time. I saw quite a bit of Rau too. They were working round the clock in consultation with other delegates, with General Wu, a representative from the Chinese Government, and with Peking through consultations between St. Laurent, Nehru and the Indian Ambassador in Peking, in an effort to get an agreement and head off an American resolution to brand China an aggressor. They almost succeeded, but not quite. The Americans, after the first rebuff to the committee from China, insisted on driving through their resolution. As a member of NATO, Canada felt obliged to support the resolution but Pearson voted with an expression of reluctance, regret and downright disagreement with a premature and unwise action that was to determine the shape of Asian international politics for years to come.

The statement of Canadian foreign policy within a global frame of reference was also demonstrated in Pearson's action through the UN General Assembly in introducing a resolution to establish a peacekeeping force as a means of stopping the Suez war in 1956. Here Pearson showed characteristic realism, as well as diplomatic skill, in linking Canada's security as a middle power to the maintenance of world peace and also to the re-establishment of the Western alliance, which had been shattered by the British and French adventure in Egypt.

*Canada's vote marked by reluctance and regret*

---

*Mr. Gordon is senior adviser for university relations at the International Development Research Centre. A noted journalist who has written on the United Nations since its founding, he is President of the United Nations Association in Canada. The views expressed are those of Mr. Gordon.*

What is not sufficiently appreciated today is that, following the outbreak of the 1967 war, Canada's representative on the Security Council, George Ignatieff, was active with Lord Caradon in the preparation and passage of Resolution 242, which established the only workable frame of reference for a just and durable peace in the Middle East. The present cease-fire under which the new UNEF operates is linked to a demand by the Security Council that the parties to the conflict implement Resolution 242 in all its parts.

*Lord Caradon  
on principles  
of resolution*

A short time ago, Lord Caradon wrote about the essential principles of the resolution he had drafted in November 1967:

In Resolution 242 we did three things — stated the overriding principle, called for the action to give effect to it, and pointed to the aim to be achieved.

The overriding principle was "the inadmissibility of acquisition of territory by war". The action called for was "withdrawal from territories occupied in the recent conflict". The aim to be achieved was "secure and recognized boundaries". We could (by calling for the withdrawal from *all* territories occupied in 1967 or by putting in the "the") have stipulated that the 1967 frontiers should be restored. *Had we done so we would have been wrong.* The 1967 frontiers (which were the cease-fire lines of 1947) were bad, very bad, frontiers, leaving all kinds of border injustices and anomalies. *We would have been equally wrong had we in New York attempted to draw a map of new frontiers.* We had not the knowledge to do so.

*Boundaries  
only secure  
if recognized*

We stated the aim of "secure and recognized" boundaries. We chose the words carefully. The boundaries could be secure only if they were recognized. Security could come only from agreement.

We contemplated a negotiation under UN auspices (Gunnar Jarring being appointed as the Secretary-General's representative for the purpose) to rectify and improve the 1967 line, always in accordance with the stated overriding principle of "inadmissibility of acquisition of territory by war".

I maintain we were right, and it is to be deeply regretted that Gunnar Jarring's endeavours were rejected, and that the great powers did not insist that our Resolution 242 must be carried out.

Dealing with the new and critical issue in the contemporary situation, Lord Caradon wrote:

Since 1967 there has been a remarkable advance. When we drew up Resolution 242 we all assumed that occupied ter-

ritories would be restored to Jordan. At that time no one suggested otherwise. It is only in recent years that the Palestinians have advanced and promoted their claim — much to the credit. This is the most important new development since 1967. It must be recognized not by amending or abandoning the unanimously approved principles of the 1967 resolution but by adding to them — by adding the principle that the Palestinians should be given the freedom of self-determination within their own homeland.

The important thing about Resolution 242 and the addendum Lord Caradon proposes is that it is set within a frame of reference of universal principle that is fully consistent with the terms of the UN Charter and should therefore be acceptable not only to the parties to the present conflict but to all members of the international community. I should hope that one of the first priorities of the Canadian representative when he takes his place on the Security Council in the autumn of this year will be to make a determined effort in association with likeminded members to translate the words of Resolution 242 into the substance of peace negotiations.

### **A new perspective**

In contrast with the perspective of those who wrote the UN Charter and carried the organization through its first two decades — a world to be reconstituted, rehabilitated, improved through international co-operation, and collectively protected against the threat of war —, we see today a world in the process of rapid change, physical, economic, social and political. Our global problem today is the management of change through international institutions and practice.

One could say, of course, in retrospect that nothing that is happening today is foreign to the provisions of the Charter. While the Charter is mainly concerned with the preservation of the status quo against disruptive threat from an aggressor or from exacerbated dispute, it also provides for the first time the international protection and promotion of human rights for the peaceful liquidation of the colonial system, and for an improved standard of living for people in the non-industrialized countries of Asia, Africa and Latin America. But the process of gradual change for the better was conceived by men and women who were satisfied that their value system, embodied in an advanced industrial society, was impregnable and, in fact, provided the yardstick by which the advance of other societies could be measured.



Canada was one of the Western nations that gave wholehearted support to the humanitarian work of the UN and its agencies, contributed increasingly generously to the program of international assistance through multilateral and bilateral channels, supported the process of decolonization, and went along with the campaign against racial discrimination, which became acute as the leading edge of independence moved farther and farther south in Africa.

But in the last decade and a half, and particularly in the last five years, it became evident that the complacent belief in the gradual extension of the benefits of Western society to the less-developed regions of the world had little to do with reality. In fact, the gap was widening between the standard of living of the rich and the poor of the world, so that by 1976 the ratio of the *per capita* income of the top 10 per cent compared with the bottom 10 per cent was 13 to one. This might not have mattered so much had the colonial system continued; but it mattered a lot for the governments and peoples of independent states. And they showed it in their solidarity at the first United Nations conference on Trade and Development in 1964. Representatives of the rich countries, including Canada, were shocked and affronted by the blatant ingratitude and unrealistic demands for greater equality.

But this was only the beginning. By the end of the Sixties, economists and policy-makers in both developed and developing countries had reached the conclusion that basic changes in the international economic system were called for to ensure a more just distribution of income and greater stability. The United Nations adopted an International Strategy for the Second Development Decade. New dimensions were added in the mounting concern for environmental conservation and protection against lethal pollution, which found expression in the Stockholm conference in 1972. Major droughts in Russia, the Sahel, India and Bangladesh emphasized the critical state of the world's food supply in the face of rising population levels. The summer of 1974 saw an international food conference in Rome and a population conference in Bucharest.

Meanwhile, similar warnings of disaster came from another source. Aurelio Peccei, an enlightened Italian industrialist, assembled in Rome a group of scientists and students of international affairs to consider the state of the planet. What came out of this meeting of the "Club of Rome" was a computerized analysis and projection that focused on the finite char-

acter of the planet and the rapid exhaustion of the known reserves of energy and critical minerals because of the exponential demands of an advancing industrial society. At the same time, it took into account the rapid growth of the world's population — 4 billion now, 7 billion by the end of the century — alongside the existing world food supply and the possibilities of adequate increase. It also took into account the threat to the environment through extravagant exploitation and pollution.

The Doomsday note of *Limits to Growth* has been somewhat muted in the later publications sponsored by the Club of Rome. Not only has the model been revised but greater consideration has been given to social and political factors. Nevertheless, the basic message remains: If we are to avoid massive famine and the exhaustion of vital sources of energy and materials, and if we are to avoid the violent conflicts that are certain to arise from these catastrophes, we have to learn to manage the global change that is taking place.

### New element

In 1973 a new element was added to the process of global change. The action of the Organization of Petroleum Exporting Countries in imposing an oil embargo, quintupling the price of crude oil and identifying themselves with the cause of the Third World by demanding greater justice in the distribution of the earth's resources meant that now political will had been added to the moral and scientific imperatives to establish global management. A special session of the UN General Assembly, held in the spring of 1974, called for the establishment of a new international economic order. The debate produced sharp polarization between the have and have-not nations, and the United States denounced the "tyranny of the majority". But in the months that followed a consensus began to develop around the thesis that the destiny of people in the developed as well as the developing world depended on the discovery of a new pattern of international co-operation. During 1975, studies, seminars and conferences involving some of the world's best developmental economists, planners and policy-makers formulated not only long-term objectives but operational procedures for the new international order.

From Canada's point of view, the most important of these meetings was the Commonwealth heads of state conference held in Kingston, Jamaica, in May 1975. General issues concerning the proposal for

*Necessity  
of managing  
global change*

a new international economic order were discussed in plenary sessions, after which the conference named a broadly representative expert group, chaired by Alistair McIntyre, Secretary-General of the Caribbean Community, to prepare a report that would serve as a guide in the forthcoming seventh special session of the UN General Assembly. The terms of reference were detailed and precise; the report that emerged, while embodying basic principles of equity, was down to earth, specific in recommendations and free from rhetoric. While certain recommendations admittedly raised difficulties for industrialized Commonwealth members, Canada joined in the consensus that had inspired the report. The seventh special session was marked by a spirit of conciliation and compromise that was in sharp contrast with the mayhem that had marked the sixth.

*Special session  
marked by spirit  
of conciliation  
and compromise*

There is, in fact, a growing consensus on the nature of the change that is taking place in the world and the beginning of a consensus on what might collectively be done about it. Our responsibility is to bring our foreign, as well as domestic, policy into line with our appreciation of world developments. It should not be too difficult.

As long ago as 1970, in *Foreign Policy for Canadians*, in a statement that reads like a modern version of Donne's "No man is an Island, entire of itself", the Canadian Government declared: "A society able to ignore poverty abroad will find it easier to ignore it at home: a society concerned with poverty and development abroad will be concerned with poverty and development at home. We could not create a truly just society within Canada if we were not prepared to play our part in the creation of a more just world society."

In his Mansion House speech just before the Jamaica conference, Prime Minister Trudeau said: "The human community is a complete organism, linked again and again within itself as well as with the biosphere upon which it is totally dependent for life. This interdependency demands of us two functions: first, the maintenance of an equilibrium among all our activities, whatever their nature; second, an equitable distribution worldwide of resources and opportunities.

"The proper discharge of these functions calls for more than tinkering with the present system. The processes required must be global in scope and universal in application. In their imagination, if not in their conception, they must be new. Of their need no one can doubt."

At the declaratory, even analytical, level, we have a frame of reference within

which specific policy objectives can be formulated. Unfortunately, a review of Canada's positions and actions at recent UN sessions and special conferences produces an uneasy feeling that they fall within the range of the Prime Minister's criticism. They do not appear to be "global in scope and universal in application" characteristics, as I suggested, of the Pearsonian tradition. Indeed, in many instances, they suggest "tinkering with the present system" and reflect strong domestic political and economic pressures which ignore wider international implications.

It may be that the expression of a grand design in specific policies just takes time. But until that design is translated into policy directives we shall be the victims of tendentious pressures from at home and abroad and our efforts to improve the international institutions necessary for responsible global participation and management will be called into question. The United Nations is made the scapegoat for the sins of the world.

It should be obvious that what I have been discussing goes far beyond what are commonly called the economic aspects of international relations. True, it focuses on what Pearson in his World Bank report described as a "central issue of our time . . . the widening gap between the developed and the developing countries". But it goes much further in relating to the broad issues that are at the very basis of the physical, social and political life of mankind on this planet. In our interdependent world no issue or set of issues can be considered in isolation. The successful management of global change is linked with the negotiation of a comprehensive peace settlement in the Middle East, the halting of the obscene traffic in arms, and the bringing under international control of the vertical and horizontal proliferation of nuclear weapons.

The election of Canada to the Security Council this year would carry with it a new responsibility and a new opportunity. It will not call for a new definition of long-term goals in a global setting. That has already been done. What is needed is the expression of global policy in particular actions that are relevant to the establishment of international peace and security and the promotion of justice. And, as Philippe de Seynes said in last year's meeting of the Club of Rome in Mexico: "At this stage when the management of interdependence is gradually being accepted as an imperative, the evolution of the only universal institution is rightly seen in the United Nations as one of the keys to success."

*Just society  
in Canada  
requires  
just society  
in world*



# Sitting on the hot seat of the UN Security Council

by George Ignatieff

British journalist who wrote a history of the United Nations Security Council during the period when Canada last served on it in the Sixties aptly entitled it *Fifteen Men on a Powder Keg*.

The dictionary, defining the world as "powder", gives us a choice between an "explosive substance" and "perfumed dust" used as a cosmetic. From my own experience as Canadian Permanent Representative in 1967-1968, I sometimes wonder whether the Council is not too cosmetic in its approach, too concerned with outward appearances and playing to the gallery rather than dealing with the substance of the explosive international issues that are before it.

Whether the approach to its agenda is cosmetic or substantive, the Council is a highly political institution. Whoever occupies one of its 15 seats will find it hot.

In a constantly changing world, the Council reflects these changes in its composition and its role. Once its composition was 11. Now, in order to represent the changed power structure of the United Nations, it has 15 members.

Ideally, these members should be at work full-time, strengthening the forces conducive to peace in this troubled world. Its members should regard this fundamental interest as transcending all national and ideological frontiers. Not only should the Council be able to put out the brush-fires at the satellites circling the globe, but it should also be addressing itself to trying to find long-term solutions to the many political conflicts that endanger world peace. The Council has to be the world's peacemaker as well as peacekeeper.

Canada has been on the Council once every decade since the Forties and is this time about to return to the Council table for another two-year term. I was an adviser during Canada's first term in 1948-1949. I occupied the hot seat itself in the Sixties. The main changes I have observed have resulted from the process of equalization that has been going on globally.

The process itself has been the product of political, economic and technological factors.

Politically, the result has been the breakdown of the traditional hierarchical structure of states. The self-assertion of the majority of peoples of the world has led to their gaining independence and political self-determination, as well as to the growth of nationalism. In particular, people who formerly lived under colonial rule have rejected the old hierarchy of ethnic groups or states and are now claiming economic equality as well.

## Egalitarianism

The revolutionary sweep of egalitarianism on a global scale is still going on. It has completely altered the composition and the centre of gravity of political influence and power at the United Nations. It is true that the General Assembly enshrines the triumph of the egalitarian ideal. But the Security Council has felt the winds of change as well. It must cope with the irreconcilable claims to rights and territory left by the global sweep of decolonization and egalitarianism.

Technologically, the ready availability of cheap automatic weapons is a great leveler. It gives any group wishing to challenge a colonial administration or a weak government the means to do so. At the moment, the guerilla and the terrorist seem to be enjoying a marked advantage in the absence of established international law and authority.

*Centre of power  
at United Nations  
completely altered*

---

*Mr. Ignatieff is Provost of Trinity College, University of Toronto. He served in the Department of External Affairs from 1940 until his retirement in 1972. Amongst his posts was Canadian Ambassador to the United Nations from 1966 to 1968, during which time he sat on the Security Council. He was President of the Council in April 1967 and again in September 1968. The views expressed in this article are those of Mr. Ignatieff.*

*Guerilla  
techniques  
do not need  
instruments  
of technology*

The paradox is that the submachine gun has an advantage even over the ultimate weapons of the nuclear age. It is obvious that nuclear weapons by themselves do not suffice to found and maintain the empires upon which the old hierarchy of states was based. The guerilla resists the strength of the advanced industrial states, thereby limiting the reign of superior science and technology. More precisely, the guerilla has invented a technique that does not require the instruments forged by the technology of rich societies.

Thus, major powers confront an international surge towards egalitarianism, especially by the peoples of Africa and Asia hitherto held in subjection to imperial systems. This surge is supported by the submachine gun of the guerilla and the terrorist, the elementary instrument of violence in our machine age.

Where does Canada stand? For historical reasons, we are not numbered among "the imperialists", having worked for the self-determination of peoples within the Commonwealth. For economic reasons, however — and sometimes for political as well, because of our close association with powers like Britain, France and the U.S.A., — we are considered as likely to side with "the imperialists". There is a need to clarify our priorities, particularly in our relations with the native peoples of southern Africa, if we are to maintain a credible presence at the United Nations.

For example, we shall have to choose between continuing to allow Canadian multinational corporations to invest in Namibia, formerly South West Africa, under South African franchises, and supporting United Nations policies directed at establishing the independence of Namibia from South Africa. After all, Canada supported UN findings in the General Assembly that South Africa's rule over the territory was illegal.

### **Position of Israel**

Even more thorny problems arise over the position of Israel. The Afro-Asian majority is aligned against Zionism on the ground that the state of Israel was imposed by the Europeans upon the Arab majority in the Middle East and is, therefore, an "imperialist" state — even a "racist" one. This issue will obviously put strain on those who try to arrive at a consensus at home on how we are to vote at the United Nations. The problem will be further exacerbated when we are on the Security Council.

Heat does not necessarily generate light in Council debates. We have simul-

taneously to offer the Council our full support and to be aware of its limitations. The order of power and authority of the Council is still anarchical and oligarchical — anarchical because the Council does not hold a monopoly on the means of force, it was intended to do by its founders, oligarchical because, in the absence of such a monopoly institutionally established and accepted by the international community, right still largely depends on might, on the ability to exercise force and to get away with it.

The permanent members of the Council as well as the guerillas are responsible for this state of affairs. Each of the great powers has tended to deal with its respective interests by diplomacy, and even by force, outside the United Nations, rather than to set an example by acting through the Council under Charter rules. Each has had its "Suez", "Hungary" and "Vietnam", preferring to rely upon its own military power rather than upon the collective measures of the Security Council.

### **Precarious position**

Nor is there much comfort to be drawn from the bipolar system of deterrence created by the super-powers, between which Canada has to live precariously. The power of these oligarchs is limited by the devastating consequences of the weapons at their disposal, should they ever use them. In practice, their power is neither assured nor unlimited. Neither can they agree on much more than the bare essentials of crisis-management in order to reduce the threat of nuclear catastrophe in a condition of nuclear stalemate.

In any case, there has been a swing away from bipolarity. The nationalization of the Marxist-Leninist party religion, together with the rise of China as a separate centre of Communist power, may have given more elbow-room for manoeuvring to various Communist parties. However, it has hardly contributed to lessening the state of anarchy affecting the conduct of business in the Security Council.

The current policy of *détente* has reduced the coherence of blocs, and therefore the predictability of votes in the Council. Since it would be miraculous if the five permanent members were to agree on anything among themselves under the present circumstances, it is no use counting on leadership from that source. We should not, though, overlook the fact that nuclear powers have certain interests in common. Among the most important of these is the prevention of nuclear pro-

*Afro-Asian  
opposition  
to Zionism*



ration. This goal assumes increasing urgency with the possibility that guerillas will find new and desperate uses for these catastrophically-violent weapons. Miracles can happen, and it is in Canada's interest that one should, in this instance.

The membership of the Council is structured round four major regional or ideological groupings — Western, Communist, Afro-Asian and Latin American. The latter two are classed as "non-aligned" in the ideological divisions of the world. Canada is definitely considered "aligned" as a member of the Western alliance. In a 5-nation Council, every vote counts to make up the necessary majority of nine. Canada's role in the Council can be crucial.

With the Council divided into voting groups, the problem of arriving at a consensus or a compromise that would add to the required majority of nine becomes a matter of intense consultation and lobbying behind the scenes. An abstention can make or break a majority and should not, therefore, be entered lightly into the record of the Council.

#### **Magic figure**

How difficult it is to arrive at the magic figure of nine — and how conspicuous is its absence! I discovered this when Canada and Denmark took the initiative in June 1967 to have the Council cope with the threat of hostilities just before the outbreak of the Six-Day War, after UNEF had been withdrawn. The chain of events leading to this particular phase of the seemingly perennial crisis in the Middle East began with the build-up of tension between Israel and Syria over Palestinian guerrilla activities over the border. This had led to reprisal action by Israel in the form of an air attack on a Syrian village. Syria at the time was united with Egypt in a federation. Nasser, aspiring to Arab leadership and encountering difficulties with his unruly flock, fell for a rumour to the effect that Israel was preparing to mount a full-scale attack on Syria.

It was against this background that Nasser ordered the removal of the United Nations Emergency Force from territory east of Suez, where it had been stationed with Egyptian consent after the Suez war of 1956. U Thant, feeling that he had no choice but to comply with the Egyptian decision to withdraw its consent to the stationing of UN forces in its territory, instructed UNEF to be withdrawn. The backslide of events leading to the resumption of hostilities began. Nonetheless, the Arabs, supported by the Soviet Union, saw a chance of a bloodless victory over Israel, by blockading its southern port of

Elath. They argued that the Canadian-Danish initiative was "premature" and "exaggerated" the danger, and were able to stall action by the Council.

After fighting had actually broken out, the required majority was immediately forthcoming to condemn "Israeli aggression" and to demand the unconditional withdrawal of Israeli forces to the demarcation-line of the preceding armistice. When Israeli forces defeated each of the opposing Arab armies, stormed the Golan Heights and threatened to swoop down on Damascus, the members of the Council were roused from their sleep at 1:00 a.m. A meeting of the Council, demanded by Syria with Soviet support, was to take place in two hours. The only way to save Syria from occupation was to accept an immediate and unconditional ceasefire. What the Western powers had been urging for six days was now promptly and unanimously accepted.

*Unconditional  
ceasefire  
unanimously  
accepted*

#### **Resolution 242**

After the ceasefire, the Council had to address itself to short-term problems of maintaining the peace with the aid of observers and to working out a long-term settlement. The latter problem occupied nearly six months of private negotiations among the various groups in the Council. The Latin American group, which held the balance in the Council because of its ties with the other non-aligned, played a decisive part. But it was Lord Caradon of Britain who introduced the compromise resolution in the Council, where it was adopted unanimously on November 22, 1967 (United Nations Security Council Resolution 242). The essential problem in this package was how to reconcile the demands of the Arab states and the Palestinians that Israeli forces should withdraw in accordance with the Charter principle that emphasizes "the inadmissibility of the acquisition of territory by war" with the Israeli claim that withdrawal was pointless unless Israel's Arab neighbours accepted its right to national existence with "secure and recognized boundaries".

To implement this resolution, there had to be negotiations to determine what these boundaries would be. Israel had to trade newly-conquered territory for the greater security it would get if its Arab neighbours were willing to give it recognition within secure and defined boundaries. The Arabs would gain the *quid pro quo* of putting prescribed limits to Israeli expansion, obtaining a settlement of the Palestinian refugee problem and negotiating the withdrawal of Israeli forces from their Arab conquests in the Six-day

War. Negotiations have stuck on the definition of precisely what territory Israel is willing to give up. At the same time, some Arabs seem to be questioning the very right of Israel to exist at all, apparently envisaging some new Palestinian state.

So long as the Middle East situation remains unresolved, the world continues to confront a powder keg with a fuse of unknown length. As guerillas and terrorists periodically set a light to that fuse, the dangers mount. Yet the major powers, instead of concentrating on the peace-keeping and peacemaking functions of the Council, carry on the unilateral supply of arms and diplomatic manoeuvring. Civil war in Lebanon and the terrorist hijacking leading to the Israeli raid on the Entebbe airport emphasize the continuing danger. Even if there were no Israel, there would be a struggle for territory, oil and power. The law is taken into the hands of individual states and the Council fails to fulfil its collective responsibilities.

### Czechoslovakia

Two other occasions when I was required to take some initiative in the Council concerned the Czechoslovak crisis in 1968 and the seizure of the U.S. spy-ship *Pueblo*. The Dubcek experiment of "socialism with a human face" had led Moscow to fear the possibility of its satellite leaving the Soviet bloc. The application of the "Brezhnev Doctrine", whereby the Soviet Union sought to justify the unilateral intervention in the affairs of its socialist neighbours, posed problems for Canada, located between the two super-powers. The Western powers, realizing that to challenge the Soviet Union on this issue would be to risk nuclear confrontation, were willing to settle for a cosmetic face-saving approach, provided the facts were brought out in the record.

I was asked to co-ordinate the consultations on behalf of the Western bloc. The tactic agreed upon was that, after the condemnatory resolution had been vetoed by the Soviet Union, I should introduce a procedural motion for fact-finding to establish for the record what had happened in Prague. In this way, the discussion was prolonged just long enough to permit the outgoing Czech Foreign Minister Hayek to come from Belgrade, where he had gone when Dubcek was overthrown. He was able to deny to the Council that Soviet troops had entered Czechoslovakia by "invitation" from Dubcek.

My taking such an initiative in the Council, even co-ordinating consultation, had to be cleared beforehand with the

Government in Ottawa. It was just as well, because the reaction of the Soviet authorities in the Council and through *Pravda* was petulant. I was called the "marksman of the imperialist bloc". This kind of publicity inevitably led to a question in the House of Commons and to comment in the press. Any initiative in the Council involves the closest consultation with one's home government as well as consultation with friendly delegations in New York to ensure that the necessary support is forthcoming in the Council in order to obtain nine favourable votes.

The *Pueblo* case, in which I was marginally involved, was, in effect, "settled out of court". The Americans brought the question to the Council in order to open the way to a negotiated release of the ship, which had been captured off the North Korean coast when conducting anti-guerilla surveillance in support of South Korean forces. I was asked to help establish the mode and place for these negotiations, which I did through the Hungarians. Because the release of the crew of the *Pueblo* was delayed by these lengthy negotiations, the Americans seem to have drawn the conclusion that unilateral action was preferable in the somewhat analogous and more recent case of the *Mayaguez*, intercepted off the Cambodian coast.

The difficulties of the Council in making decisions have not only weakened the image of the Council but have produced an increased unwillingness on the part of governments to take their business there. The tendency is to deal with conflicts or disputes unilaterally or through regional organizations like the Organization for African Unity or the Arab League. What is the solution?

### Political will

The Council does not lack good advice from governments. Advice is given as if the Council existed quite apart from the governments that compose it. The Council is no *deus ex machina*; it requires people to animate it. To permit it to act collectively, individual governments must give it the necessary political will. In order to extricate itself from its present dilemma — having "too much on its plate" while lacking the authority and power to act effectively — the Council needs a commitment from the governments that compose it to provide the political will it needs.

Canada can set a good example when it takes its seat. The application of political will to the work of the Council requires first that each permanent representative

*Security Council  
fails to fulfil  
collective  
responsibilities*



ould be "clued in to" the political decision-making process of his government. Various means have been tried to enable the Council to function more effectively than it does now. Arthur Goldberg, Permanent Representative of the U.S. in my time, had direct access to the President and attended meetings of the Cabinet when UN matters were discussed. Lord Caradon, the British Permanent Representative, carried the rank of Minister of State and had access to the Cabinet in London as well as to the Foreign Office. The Soviet Union sent its senior Deputy Foreign Minister, Jacob Malik. I am not suggesting any inappropriate departure from established lines of communication and command, or that governments individually can remedy the lack of political will, unless they act collectively. But I did find it absolutely essential to have direct access to the Secretary of State for External Affairs when Canada had to cast a vote that would be politically sensitive at home.

Now that we are returning for another term, have I any suggestions to make? The main requirement, in my opinion, is that our Permanent Representative should have prompt and regular access to the Secretary of State for External Affairs, or some designated alternate who can give political guidance for which he would be answerable to the Cabinet and the House of Commons. Guidance through interdepartmental or departmental committees of officials is no substitute for the application of political will to the tasks of the Council.

Ministers have to realize that, notwithstanding the obvious limitations of the Council (and they are many), its proceedings are highly political and conducted under the searching eye of the television camera.

Doubts and hesitations or, still worse, abstentions for lack of guidance, are quickly detected at the Council table or at press interviews afterwards. The peace of the world, as well as the reputation of Canada, are at stake.

*Council's  
proceedings  
are highly  
political*

*Canada at the United Nations*

# Trade Unionism and a new international economic order

by John Harker

Though the label is new, demands for a different distribution of income and wealth, internationally and nationally, have been heard for some time. Only recently have the international demands been pressed strongly, and the resulting clamour has all but drowned out the demands that have been made for years at the national level.

These demands are important to the Canadian trade union movement, the basic premise of whose policy towards the "new international economic order" (NIEO) is that it must not be designed to improve the "life styles" of corporate or governmental élites, in global corporations or developing countries. Rather, it must bring about full employment, the rise of real living standards and a fair distribution of income and wealth both within and between nations. If a brief statement of this goal had to be offered, it would be "economic security and social justice for all".

These words are taken from the first manifesto of the International Confederation of Free Trade Unions, to which the Canadian Labour Congress (CLC) and its forerunners have been affiliated since the founding of the ICFTU in 1949. Though the aims of the ICFTU are international, they clearly have their origins in the national experiences, the struggles for economic security and social justice, of the affiliated national trade union centres. The nature of the commitment (for such it is) of free trade unionism to the NIEO cannot

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be understood if this national dimension is lost sight of.

What has fashioned this commitment? Ignoring the temptation to quote from the inaugural address by Karl Marx to the International Working Men's Association in 1864, I shall offer a more recent, and more relevant, focus: the condition of the world's poor following the end of the First International Development Decade.

There are many indicators of deprivation. UNESCO has estimated that the number of illiterate adults in the world rose from 700 million in 1960 to 760 million in 1970. The Food and Agriculture Organization provided the World Food Conference with estimates to the effect that in 1969-71 over 450 million people, many of them children, suffered from a severe degree of protein-energy malnutrition (in itself a very low standard, with many more suffering from hunger). In 1972, according to the International Labour Organization, some 1,200 million people in the developing market economies (67 per cent of the population) were abysmally poor.

It is not known, nor is it claimed here, that income distribution has worsened in most developing countries since the beginning of the 1960s. It is held, however, that in few countries, especially in the developing ones, do trade unionists have reason to feel that income and wealth are being distributed fairly. Furthermore, it is difficult to avoid the conclusion that the amount of wealth, and thus of income, available for distribution within the developing countries is artificially and deliberately limited by the operation of international trade, investment and monetary policies.

So trade unionists are pressing for a new international economic order. The demands they make are largely those formulated in conjunction with their fellow trade unionists in other countries. This is certainly true of the CLC, which helped produce ICFTU policies in this area and now promotes them as its own.

These policies, together with our own relating to our experience with adjustment assistance, make up our series of demands for an NIEO. They tell us something about its nature, which is also revealed by the forums to which these policies are directed.

Each policy, or group of policies, has to be looked at in the light of how it is being promoted and why in that particular way; but, first of all, a general view of the "package" of policies is required.

The new global distribution of wealth, among and within nations, which is clearly called for, will require many changes of institutions and behaviour. There will have

to be reform of the world's trade arrangements, especially in commodities requiring compensatory financing and assured supplies.

Multilateral trade negotiations should bring an end to the progression of duties by degree of processing, to encourage the growth of manufacturing industry in the Third World, which will, in turn, require a fund to provide adjustment assistance when participating countries make necessary and liberating changes in their own industrial structures. The General Agreement on Tariffs and Trade should obligate governments to protect workers' interests — in countries such as Canada by anticipatory adjustments and in developing countries by the rigorous observance of fair labour standards.

### Link needed

Reforms of the international monetary system should establish a link between special drawing rights and development assistance, strictly manage capital flows instituted by multinational corporations and effectively recycle "petro-dollars". Real resources must be transferred to finance development, with the assistance target of 0.7 per cent of gross national product being surpassed by Canada. Debt rescheduling should not be unrelated to the natures of political systems. Transfer of technology, free from "packaging" and as appropriate as possible, should be facilitated. The aim of the importing of technology being industrialization, this should provide useful employment and not simply increase urbanization. In other words, it has to be made relevant to the needs of the rural poor.

A code of conduct has to bind legally the multinational corporations, for which there are few alternatives as vehicles for technology and resource transfer.

Development priorities have to be oriented to the needs of people, with respect both to material benefits and to the application of labour standards; and here guidelines should be sought from the International Labour Organization.

Just as the ILO provides for trade union representation, so should the United Nations, where such representation is quite inadequate — all the more since the support of trade unions is critical to the implementation of any new international economic order.

This policy package is not seen as the basis for an international treaty to emerge from the United Nations after debate — not to mention confrontation — between the Group of 77 and Group B countries. Rather, it has to be a series of undertakings

*Few countries have fair distribution of income and wealth*



obligations, relationships and opportunities originating in different places and making themselves felt in different ways.

A glance at the trade union policies reveals that some of them are shared by the Group of 77 and could have been taken from the Manila Declaration. The CLC has, for example, gone on record as believing that proposals of the UN Conference on Trade and Development for dealing with ten key commodities should be applied as soon as possible.

However, rather than elaborate on all these policies, the rationale for which is shared by many, I prefer to dwell on those policies that could be said to constitute the specific trade union dimension. That is, they are not demands made by other parties — especially not by the Group of 77 (perhaps, indeed, because they are demands made of the Group of 77).

Aware that governments, whether of the Group of 77, of Group B (the so-called socialist countries) or whatever, could argue that they shared our redistributive demands, even in the absence of much apparent distribution of income or wealth in their countries, I shall deal first with demands of pressing concern to trade unions and not yet taken up by many governments.

### Trade liberalization

The first concerns the GATT treaty. The CLC has long been on record as favouring trade liberalization, and is very much concerned — now that such a large part of international trade consists of intra-company transactions — that freer trade may benefit chiefly the multinational corporations. Thus the CLC is promoting the adoption of a code of conduct for MNCs, which will be elaborated later; but, with respect to GATT, it still wants free trade and is proposing that a Social Clause be added to the GATT treaty.

There are two aspects to this clause. The first concerns the prevention of exploitation in the process of trade liberalization and expansion. The clause would have contracting parties recognize that efforts for the promotion of world trade must serve the purposes of full employment, social security, better levels of consumption and the highest levels of accident prevention and health protection. It would call for internationally-coordinated manpower, regional, and industrial policies on the part of the contracting parties, which would be required to maintain full income and social benefits for displaced workers and to observe fair labour standards in practice, in declarations, conventions and agreements. The UN Declaration of

Human Rights and, in particular, the ILO instruments — including, of course, recognition of the freedom of association and trade union rights — would provide yardsticks for fair labour standards.

The second aspect is inseparably associated with the first. It concerns adjustments, particularly to the economies of the industrialized countries. The nature of the connection was clearly spelt out by CLC President Joe Morris when he told the Sub-Committee on International Development of the Standing Committee on External Affairs and National Defence that “the CLC cannot envisage *any* sacrifice, whatever the level of adjustment assistance, merely to increase the well-being of a trans-national corporation or an élitist group in a developing country”. “Any development assistance or trade reform which seeks to avoid the opposition of the CLC has to be ‘people oriented’,” Mr. Morris added. “It has to increase the well-being of the population as a whole, and it has to protect newly-industrialized workers, not exploit them.”

On this understanding, the CLC is convinced that preparations should now be made to facilitate a necessary adjustment of our economy. It proposed to the sub-committee that a committee representing the major government departments, industry and organized labour be set up to consider domestic adjustments, commissioning a program of studies of the prior implementation of adjustment assistance in Canada, especially the General Adjustment Assistance Program, the main General Incentive Programs and the Textile Policy.

The Sub-Committee on International Development, in its first report, referred to this proposal as logical and attractive, and it is to be hoped that the Federal Government comes to the same conclusion and will also act on the CLC proposals concerning the GATT Social Clause, which urges the contracting parties to accept the principle that, whenever a sectoral disequilibrium can be foreseen, they should apply anticipatory adjustment assistance with income protection and employment for the workers. It is also suggested that the contracting parties co-operate fully on industrial policies and compile trend information.

This could be done in a number of ways, two of which specifically concern GATT.

Under the terms of the Social Clause, an international commission on trade and employment, composed of representatives of governments, trade union organizations and employers' associations would be set

*Preparations  
needed now  
to facilitate  
adjustment  
of economy*

up. It would report annually on the effects of trade and investment on world employment and on social problems, particularly those caused by the invocation of Article 19, and would generally examine the application of the Social Clause.

The other GATT mechanism would be the establishment of an international reconversion fund, which would be based on the adoption of common principles to guide the adjustment policies in industrial countries and would call for the creation of a fund to assist these countries in financing their adjustment programs. Contributions could take into account a country's gross income, its income *per capita*, and the share of developing-country manufactured imports in the national market. It could also cover a given proportion of the adjustment costs. In this way, countries most reluctant to open their markets would be financing the openness of other countries.

### ILO standards

These two mechanisms are not exclusive, nor are they exhaustive. Another way in which the needs of co-operation and supervision could be met is through the International Labour Organization, the standards of which are, of course, of paramount importance in the area of fair labour practices. It is encouraging that the ILO is now turning its expertise and objectivity to the part played by multinational corporations in employment generation and maintenance, and income distribution. This is being done through research studies and meetings of experts, both for the Governing Body and for the World Employment Conference. The ILO has already said, in its third *World Employment Report*, that good citizenship is in the multinationals' own interests, as is the creation of a climate of confidence in which the rules are known in advance and strictly observed.

The CLC has long advocated a code of conduct for multinational corporations and, in October 1975, at the World Congress of the ICFTU, Joe Morris introduced a charter of trade union demands for the legislative control of multinational companies. The reasons for having international conventions and agreements on co-operation between governments, he stated, were clear enough in areas such as taxation, capital movements, international price fixing and social responsibility. He pointed out that international action was also important to support any control measures that were to be applied by small countries whose national budgets could be

less than one-tenth of the annual turnover of a multinational corporation.

Proposals for a code of conduct, specific and legally binding, have been put before the Organization for Economic Co-operation and Development and the UN Commission on Transnationals. They cover the need for full disclosure of information, job protection for workers, an end to competition in incentives, a fund for the development of host-country infrastructure, bans on price-fixing and deliberate under-production, and prorating of tax obligations. The proposals would also see an end to the Paris Convention of 1883, which effectively limits transfers of technology, and would aim at stopping cash flows for manipulative or speculative purposes. The multinational corporations clearly dominate world trade, much of which is now a transaction between two parts of the same corporation. There can be no new international economic order without effective international controls. This is clearly in the interests of developing countries (of their populations, any way), but their responses to the CLC proposals have not yet been encouraging. The strongest guarantee of UN action on this issue is the effective participation of trade unionism in the work of the UN Commission. But the main opposition is coming from the developing countries.

The lack of access by trade union organizations to deliberations of the UN or to new, and increasingly important exercises such as the "North-South Dialogue", is another major reason why the ILO is very important to the successful achievement of the NIEO. The World Employment Conference of the ILO held in June of this year, and its results, are vital to this goal. This is so not just because, owing to the representation afforded to trade unions and employers, there is often less conflict and acrimony in the work of the ILO, but because the ILO seems to be alone in concentrating very clearly on the acute need for redistribution of income and wealth.

The emphasis on redistribution within the developing countries is the other area where trade union goals might not be shared by the governmental spokesmen for the NIEO. The Director-General of the ILO has put forward a strategy for the relief of poverty, focusing on basic needs, as the hope for a better world. This he believes to be a much better approach than increasing GNPs and waiting for some form of "trickle down". In support of this approach, the ILO maintains that in the absence of major redistribution, it will take sustained growth-rates of as high

*ILO attention  
being turned  
to part played  
by multinational  
corporations*



as 12 per cent a year to end absolute poverty in most developing countries by the end of this century.

How many economists would now like to suggest that such growth-rates are more than marginally possible? On the other hand, the ILO feels that, in countries with highly egalitarian distribution, much lower growth-rates would be necessary, and an emphasis on basic needs and proper redistribution could achieve the century-end goal with growth-rates as "low" as 6 per cent. These are much more realistic.

Obviously, much would depend on how the redistribution is carried out, so what is being sought is acceptance, particularly by the Group of 77, of the importance of redistribution as an essential element of the NIEO, and acceptance of the importance of trade union participation in the development process.

To a very small extent, progress has been made in the second of these. The 1975 International Labour Conference adopted a resolution recognizing the need to encourage the organization of the rural poor. Of the world's unemployed and underemployed, 80 per cent are to be found in the rural and traditional sectors, and trade union efforts to organize them have often met with official resistance, taking the form of violence and repression in some instances.

For trade unionists to work towards a new international economic order, which is seen as vital for fellow workers, that new order will have to benefit the workers and not their exploiters. To adopt any other attitude would be to shore up internationally an economic order much older than trade unionism.

*Unionists demand benefit to workers from new order*

*Canada at the United Nations*

# Relinquishing sovereignty is the key to peacemaking

*The lesson of peacekeeping*

By D. G. Loomis

Peacekeeping forms an essential dimension of peacemaking, and both are an extension of the fundamental responsibility for maintaining domestic order and promoting international stability. This article suggests that Canada's approach to peacekeeping has been different from its approach to peacemaking in one essential respect. In peacekeeping we are prepared to consider the United Nations as a supra-national body able to exercise certain executive powers over the military forces we commit to it, while in peacemaking we insist on maintaining that the United Nations, composed of sovereign nation states, is essentially a forum for discussion.

The debate at the twenty-ninth session of the General Assembly in connection with the attempt to expel South

Africa from the United Nations illustrates the basic dilemma that faces the United Nations in every aspect of its peacemaking activity. The essence of this dilemma sets

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the thesis of the principle of universality against the antithesis of the principle of obligation. In the debate over South Africa, the defenders of the principle of universality — in general, the Western and Latin American countries — emphasized that the United Nations was an organization of sovereign states, not an international legislature. At the same time, it was insisted that the inescapable concomitant of the principle of universality must be a genuine acceptance of the obligations of membership and a full measure of participation, even when decisions turned out to be unfortunate or disagreeable. In practice, a synthesis usually emerges, based on the objective situation at hand, that enables action to proceed.

The difference between the comparative success of peacekeeping and the failure of peacemaking lies in the quality of action that flows from the synthesis. The reasons for this are of vital concern in a world where confrontation and conflict have been endemic since the Second World War — between imperialism and anti-colonialism, East and West, the free world and the Communist, North and South, the developing and industrialized countries, the poor and rich.

International control and containment of conflict promise to be among the more important issues facing Canadian society for the remainder of this century. Peacekeeping and peacemaking efforts can be expected to be in even greater demand if we are to contend successfully with inevitable conflicts arising from such factors as the population explosion, current and projected widespread shortages of food, competition among industrialized states for scarce resources, potential misuse of nuclear capability, and technology, which to some people appears to be racing beyond control.

These factors heighten the potential for conflict between societies. At the same time, we appear to be beset by a moral inability to see such problems on a global scale and to be inhibited from acting by the resistance of our institutions to change (chief among the causes of this inertia is the conception of the sovereign nation state). Thus, we can hardly disagree with the idea that the real problem facing the United Nations today is to find integrative policies and procedures capable of reversing the dangerously sharpening confrontation between countries of the new and old majorities and of preventing that confrontation from deteriorating into the collapse of world political and socio-economic order.

The success of peacekeeping operations at the military level indicates that such integrative policies and procedures have been found and successfully applied in Cyprus, the Middle East and elsewhere. Symbolically, the process begins when we replace our Canadian hats with the blue berets of the United Nations and for time become international soldiers from Canada ready to act as members of the United Nations force. True, we remain members of the Canadian Forces and this establishes a duality between our supranational obligations and our sovereign interests within which we must act. An impossible situation? Yes, if we want to make it impossible, but for over 25 years we have met this challenge and in the process evolved a conceptual framework for success.

We are forced to ask whether this experience might be useful in contending with the major problems faced by the UN today — how to meet the demands of the Third World, how to handle the changing rules of the game within the United Nations itself. But as soon as we pose that question we run into a major conceptual problem. In its non-peacekeeping functions, the United Nations is usually seen as being an organization of sovereign nation states. As such, the UN has to rely on exhortation and persuasion to achieve the aims and objectives of the Charter.

While the foregoing may be correct in theory, in practice it is not true and does not form the conceptual basis for peacekeeping. Let us examine this allegation further. First, we appear to face a dilemma because measures involving exhortation, persuasion, co-operation and what-not inherently deny the absolute sovereignty of any nation state and thus sow the seeds of conflict in all its many physiological and psychological forms.

### Conflict defined

We must define conflict as it is viewed by most military officers involved in peacekeeping. Formally, conflict arises between individuals and between groups. It may move from persuasion to bloodshed according to the amount of force employed. Conflict involves a clash of wills, with the object of securing the primacy of one over the other. Although the destruction of things and people is not an end in itself, it is, however, sometimes the undesirable means to an end.

How is it possible for an individual human being to impose his will upon another? All human beings are reached through their senses acting on their nerve brain system, which in turn controls re-

*Important issue  
for remainder  
of century*





Photo/Y. Nagata

*At the opening session of the thirty-first General Assembly of the UN, Hamilton Shirley Amerasinghe of Sri Lanka was elected President. He is shown here receiving the gavel from his predecessor, Gaston Thorn, Prime Minister and Foreign Minister of Luxembourg, who was President of the thirtieth Assembly. UN Secretary Kurt Waldheim looks on.*

onse. To achieve a positive change in individual's response — that is, to alter its frame of reference, self-image or instinctive reaction — force may be necessary. The degree of force, in the sense of physiological or psychological distress, ranges from diplomacy to argument, from persuasion to threat to injury, from international co-operation to economic deprivation, and from intimidation to bloodshed, to move up the scale of conflict. Force may be applied by an individual or by groups of individuals acting as members of religious bodies, political parties, trade unions, national liberation fronts, nations and alliances, as well as a variety of other types of organization. Group force is both more powerful and more difficult to control than individual force; and it is group force that is the important factor in international

relations, which in turn influences what nations euphemistically call defence policy and the United Nations refers to as international security.

Thus, the force of exhortation, persuasion and related forms of psychological distress cannot be arbitrarily separated from physiological distress as a means of applying force and so imposing one's will on others, either individually or in groups. Thus, while it is true that the United Nations does not have legislative or executive powers *per se*, it does have and, when the situation permits, it does employ measures that in practice limit the sovereignty of its members.

The acceptance of the proposition that the United Nations is a supranational organization, to which nation states have

given up some measure of their absolute sovereignty, forms the conceptual basis for the success of international peacekeeping operations. Since the situation varies in every peacekeeping operation, the synthesis achieved in the field differs to the extent that a different balance is obtained between the thesis of national sovereignty and the antithesis of the United Nations as a supranational organization.

Every United Nations peacekeeping operation begins from scratch, even though many attempts have been made to establish a framework for mounting and executing operations beforehand. The central disagreement revolves round questions of the control and authorization of UN operations. These questions, in turn, rest on theoretical concerns of nation-state sovereignty, no portion of which will be given up until some terrible crisis is forced upon the membership. Then, in a period of high anxiety and hurried decisions, the necessary concessions are made on a case-by-case basis to authorize and organize an international force to deal with the situation. Once a force is fielded it is left to military officers to work out the synthesis between their sovereign interests and those of the United Nations.

### Search for framework

UN attempts at New York to establish a framework for dealing with the ever-increasing number of crises began in the 1960s by addressing the peripheral problem of command and control. These efforts came to grief on the rocks of the then-raging East-West confrontations. In very simple terms, the Western point of view was that the Secretary-General should control operations, while the Soviet point of view was that the Military Staff Committee of the permanent members of the Security Council should do so. The matter came to a head over the conduct and financing of the Congo operations, 1960-64, and led to paralysis of the nineteenth session of the General Assembly. In part, the deadlock was overcome in 1965 by the establishment of the United Nations Special Committee on Peacekeeping Operations (Committee of 33). After three years during which little progress was made, a Working Group of this Committee was established, consisting of eight members under the chairmanship of Mexico.

The Working Group set to work to provide guidance for United Nations observer missions established by the Security Council — or Model I, as it was called. This guidance was to be in the form of a document containing eight chapters

dealing with the authorization of the force and its establishment, as well as the legal, financial, operating procedures, equipment, facilities and service requirements of the force. While the last five chapters were agreed to and some measure of agreement was achieved as to the establishment of the legal aspects of such forces, virtually no agreement was reached on the subject of the authorization of United Nations operations. The essence of this controversy may be summarized as follows:

The Soviet point of view was that it was a matter of “constitutional” interpretation of such articles as Nos. 24 and 47 of the United Nations Charter, which call for the Military Staff Committee to advise and assist the Security Council in all questions relating to the United Nations military forces. The Western point of view was that the questions affecting the control, management and objectives of peacekeeping and observer missions were essentially political in nature and the practice of using the Secretary-General as the agent of execution should be continued.

In practice, though some operations have been initiated under the General Assembly’s 1950 “Uniting for Peace” resolution, most operations have been the result of resolutions passed by the Security Council. In any event, the synthesis tacitly agreed on has permitted the Secretary-General to act on behalf of the United Nations in selecting the force command, composing the force, negotiating host nation support and directing the day-to-day operations.

### Sovereignty concessions

Thus, procedures have evolved, based on precedent and tacit agreement, that permit the authorization and control of United Nations peacekeeping forces. They involve, however, concessions in absolute sovereignty by all concerned and hence have only been possible during grave crises when the stark issue of war or peace has been raised. As soon as the crisis abates the problems of balancing national sovereignty and United Nations control are for the most part conveniently left to the Secretary-General, with his political representatives and military commanders in the field, to sort out with various host nation authorities and the commanders of military contingents from nations contributing to the United Nations force.

The qualitative difference between the success of peacekeeping and peace-making activities results from the fact that peacekeeping operations are undertaken in times of crisis, and questions

*Concessions made  
in periods of  
high anxiety*



sovereignty are secondary issues left to bureaucrats and military officers, already conditioned to an international perspective, to resolve. Peacemaking activities seldom reach a crisis involving war or peace and questions of sovereignty are primary issues never far from the minds of the first-rank political, economic and diplomatic national principals involved. In summary, peacekeeping appears to be accepted as an international activity conducted on a multinational basis, while peacemaking continues to be seen as more of a bilateral or multilateral activity between nation states.

The failure of the United Nations in New York to agree on such fundamental issues as authorization, command and control results in a rather pragmatic approach to all aspects of operations in the field. The actual practice depends on the synthesis worked out on the spot between the thesis that the United Nations is essentially a forum for discussion among sovereign nation states and the antithesis that the United Nations is a supranational organization able to impose its will. The balancing of these two points of view directly affects such matters as the command and control of national contingents, the conception of operations, the use of force, the relative importance of peacekeeping and peacemaking, the political and military criteria for measuring the effectiveness of operations, force structure, the use of regular, as against reserve, military personnel, and the tempo of operations — to cite but a few examples.

By way of illustrating the sort of argument presented by proponents, the two basic points of view on these matters may be organized as a framework for discussing and analyzing United Nations operations as follows:

*First point of view:*      *Second point of view:*

The UN is a forum for discussion.

The UN is a supranational body.

Command and control are based on co-ordinating a number of separate national contingent headquarters.

Command and control are based on a United Nations headquarters with very little if any "input" from contributing contingents under operational control.

Operations are an extension of diplomatic activity involving the mediation, reporting and investigation of cease-fire violations.

Operations are an extension of military activity, with overtones of international intervention.

The United Nations force is prepared to defend itself in extreme situations.

Functions of peace-making and peace-keeping are separate.

First priority is for political effectiveness.

Structure is based on a civil-military balance.

Can use reserves extensively.

Tempo of operations governed by resources available, with tasks geared to resources levels.

The United Nations force is prepared to fight to accomplish its tasks.

Functions of peace-making and peace-keeping are combined.

First priority is for military effectiveness.

Structure is based on a militarily balanced force.

Mainly a regular force task.

Tempo of operations governed by tasks; resources must be made available to accomplish the mission.

It is not intended to analyze the many United Nations operations in which Canada has taken part, but it seems useful to touch briefly on the issues of command and control, and of peacekeeping and peacemaking at the field-operational level, by way of showing how this framework can be applied. Let us compare, for instance, the command and control arrangements for the Canadian contingent in Cyprus with UNFICYP with those for the contingent in the Middle East with UNEF(ME). It is evident that operations in Cyprus lie closer to the second point of view (that the United Nations is a supranational body), while those in the Middle East lie closer to the first point of view (that the United Nations is a forum for discussion among sovereign nation states).

### Western composition

The force in Cyprus is composed entirely of Western nations, most of which belong to NATO and, consequently, are familiar with established procedures for co-operation. Hence, the "headquarters" for looking after Canadian "interests" consists of only one major and a clerk. The force in the Middle East has a more universal composition, initially being made up of contingents from Austria, Canada, Finland, Ghana, Indonesia, Ireland, Nepal, Panama, Peru, Poland, Senegal, Sweden and Zaire. In contrast to Cyprus, the purely "Canadian headquarters" is headed by a brigadier-general, who has a staff of several dozen officers and clerks to look after Canada's "interests". Of course, many other factors affect the situation, such as the difference of the *de facto*

*Application of framework of command and control*

states in Cyprus from the *de jure* nations of the Middle East. However, the point to be made is that, while the UN headquarters in Cyprus and in the Middle East may appear to be similar, the day-to-day operations and procedures for getting things done differ markedly. Nevertheless, they both work, and work well, within the objective conditions of their respective situations.

As might be expected from the foregoing, the peacemaking aspects of operations in Cyprus are further developed than in the Middle East. In Cyprus, the United Nations headquarters and each national contingent have special military staff devoted to humanitarian and economic activities. They fulfil the UNFICYP commitment to the humanitarian relief program in conjunction with the other international agencies, they co-ordinate operational work in the economic field, and they contribute to political reports and assessments by providing statistical data and other information on the relief operations.

In connection with these responsibilities, the military forces are involved in such activities as information gathering on refugee locations and situations, distribution of relief, humanitarian visits, transporting of persons for transfer or evacuation, distribution of welfare benefits, medical aid, recovery of property and searching for missing persons. At the staff level, military officers also are responsible for dealing with intercommunal problems arising from the supply of water and electricity, postal services and telecommunications, as well as property and agricultural disputes. These intercommunal negotiations frequently have serious political overtones for both sides. Even so, more often than not an equitable solution is found.

### Separate activities

In the Middle East, the UN force is little involved in matters of humanitarian relief and economic reconstruction. In short, in the Middle East peacekeeping and peacemaking are quite separate activities from an organizational point of view, whereas in Cyprus they are more closely related. A question worth some thought emerges from this. Is it possible to expand the peacemaking activities of the peacekeeping forces? On the basis of our experience in Cyprus, we may answer yes.

In conclusion, the reality of peacekeeping operations lies between two points of view: the thesis that the United Nations is a forum for discussion among sovereign nation states and the antithesis

that it is a supranational organization able to impose its will. Every operation to date has been different because the objective situation of each has differed and hence the synthesis of these two points of view has varied.

In practice we end up with a peculiar amalgam of actions stemming from both points of view. For instance, we may have an approach to operations with definite overtones of international intervention, in which the force acts on the assumption that the United Nations is a supranational body but, at the same time, command and control of the force in the field will be based on the co-ordination of a number of separate national-contingent headquarters just as though the United Nations were a forum for discussion. In fact, any number of combinations from any list of factors can be suggested and, indeed, have been tried in the past. The net result is that it is almost impossible to pre-plan peacekeeping and truce-supervision operations at the international level. Consequently it has been our experience that each operation is a special case mounted in response to the specific situation that obtains at the time it is launched.

As a result, operations have always been launched with little prior co-ordination for such important activities as planning at UN headquarters, introduction of the force, terms of reference, organization, language of work, staff system, security and discipline among contributing contingents, operational procedures for military, humanitarian and economic activities, doctrine, information (including intelligence and operational situation reports), communications, administrative and logistic support, public relations and military training — to cite but a few items.

The fact of the matter is that peacekeeping has proved to be relatively more successful than peacemaking. There are many reasons for the difference, but the salient ones result from the fact that peacekeeping operations are launched during intense international crises, when questions of national sovereignty are of less concern than the possibility of major international or regional war. It is difficult to see how United Nations peacemaking activities can meet with much success so long as the question of national sovereignty is addressed by the membership in absolute terms, notwithstanding high-minded sentiments respecting obligations, responsibilities and so forth. Nevertheless, the experience in Cyprus suggests that in some cases it may be possible to make further progress by consciously coupling peacekeeping and peacemaking activities.

*Wide range  
of military  
activities  
in Cyprus*



# Canada's voting pattern at 30th General Assembly

by Anne-Marie Jacomy-Millette

*... whatever its [the United Nations'] shortcomings over the years, we must recognize the simple fact that, in our quest for peace and security and our search for solutions to the great economic and social issues of our time, this universal forum is irreplaceable and essential to each of the governments and peoples we represent.*

Allan J. MacEachen at the thirtieth session of the General Assembly of the United Nations, September 22, 1975.

Canada is a rich society but one which, in terms of the exploration of immense natural resources, is still under-developed. It is a country which both produces and consumes raw materials and whose economy and wealth, whose standard of living in fact, are heavily dependent on trade and foreign (largely American) capital. It is a community which occasionally still feels unsure about what really distinguishes it as Canadian. Canada seems today to be experiencing difficulty in defining the general directions of its foreign policy as the latter applies to its bilateral relations and multilateral diplomacy. This last problem was particularly evident during the discussions and votes of the thirtieth session of the United Nations General Assembly.

## Search for new order

The problem fits into the general context of the search for a new world order or balance that is political, economic, cultural and moral — assuming that a generally-acceptable definition of the latter term can be found, in view of the diversity of the definitions applied to it, which vary in particular according to the economic level of the individual countries involved. Evidence of this is seen in the complex legal notion of *jus cogens* and in the concept of international social justice. On the one hand, the United Nations, which, as of late 1975, had become an almost universal organization with 144 members as compared to 51 at the time of its foundation, symbolizes man's hope for a better life and for a closed relationship between the peoples of the world. On the other, it is a forum for sometimes violent disputes which threaten to tear the institution asunder.

One group, which includes many Western countries, talks in terms of the tyranny of the new majority. It questions the value and purpose of active, or even passive, participation in the organization and expresses anxiety over the politicization by the hundred or so new members of the various problems brought before the United Nations Assembly and its specialized institutions and technical committees. The other countries, constituting the Third World, oppose the system that prevailed in the early years of the organization. In those days, according to President Boumédiénne, certain practices were introduced depriving international bodies of the basis of their authority and undermining their role as universal agents in favour of "clubs" composed of a small number of privileged states possessing discretionary powers. These countries demand a more active role in order to carry out a redistribution of the planet's wealth as an indispensable condition of international peace and security.

The main themes of the early years of the United Nations, the Cold War and the anti-colonial struggle, were usually expressed in explicit and unambiguous

*Participation in organization questioned*

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terms. They have now been superseded by concepts that are open to a host of definitions and meanings and by goals which are difficult to reach and to translate into action, particularly in the present climate of confrontation between the Western countries and a Third World, which is often supported by the Communist countries.

### Canada's role

The question arises as to whether Canada, in such a climate of conflict, should give priority to its role and interests as an industrial nation, or should pursue the goals of international social justice. These goals would include the redistribution of wealth — and power — through giving assistance, in the broadest sense, to developing countries. If Canada opts for the former, should it side with its traditional allies, in particular the United States and the Western countries, on every aspect of foreign policy and join with them in developing a sort of group strategy at the UN, even though they may be fighting against the odds, or should she consider each question in terms of her own interests and make her own decisions in the light of what is at stake? The position taken by Canada at the United Nations in the recent past seems to be based on a policy of discrimination and prudence, caution and hesitancy which reflects the ambivalent nature of Canada's overall multilateral diplomacy at the UN.

Canada's foreign policy is an extension of her national policy; this was stated in 1970 and is true in a sense of all countries. Foreign policy should therefore be based on national priorities and imperatives that are understood and accepted by the citizens of the country concerned. Today, however, these national goals are, at least in the short term, liable to change, even if the existence of a hierarchy of common values and of a well-established and all-encompassing concept of an ideal present and future Canadian society is accepted. In June 1970, the Government tabled before Parliament six pamphlets entitled *Foreign Policy for Canadians*; they were a summary of papers written by politicians and public servants. This consideration of trends in foreign policy was complemented by subsequent statements and writings such as Mitchell Sharp's article on the Third Option in the Autumn 1972 issue of *International Perspectives* and the Prime Minister's Mansion House speech in March 1975.

A foreign policy cannot be defined in isolation. It is part of a world system — if system it can be called — which is not static, as can be seen by the transforma-

tion, not to say revolution, which has taken place in international relations since the crystallization and explosive development of Third World aspirations in 1972-73. Canada must therefore take account of these changes in its multilateral diplomacy. The fact that the provinces of Canada, under the pressure of such changes in the global village, are turning toward the international community and are defining their economic, commercial and, in the case of Quebec, cultural priorities, is yet another element which the Federal Government must consider in terms of Canada's role in the agencies and commissions of the United Nations family.

### UN resolutions

During the thirtieth session of the General Assembly, 179 resolutions of varying value and significance were adopted. Canada's position with respect to those resolutions is consistent with the six general policy objectives introduced in 1970. The first of these, "Sovereignty and Independence," sheds light on the other five, which deal with peace and security, economic growth, social justice, the quality of life and the question of a natural and balanced environment. These six objectives are not, however, of equal value and importance, as an examination of the conceptual and factual framework of Canada's multilateral diplomacy shows. The Government established an order of priorities for these objectives even though such an order may be rearranged from time to time according to fluctuations in the international "system."

In the United Nations arena, furthermore, certain problems seem to predominate. At the beginning of his address to the General Assembly in September 1975 Allan MacEachen laid stress on the results of the seventh special session and raised the key problem of the economic and social disparities existing in the modern world. He said that Canada wished to help create a new economic order. He also made reference to other problems which, in 1975, were priority areas for his Government: an agreement on a viable and equitable law of the sea, nuclear disarmament and non-proliferation and a set of guarantees allowing the use of nuclear energy for peaceful purposes, the restoration of peace in the Middle East and the establishment of a clear distinction between the powers and jurisdiction of the United Nations' political organs and those of its technical committees.

It therefore seems that in the autumn of 1975 Canada still had confidence in the United Nations but at the same time recognized the organization's limitations:

*Canada's policy based on discrimination and prudence*





UN Photo M. Grant

*The front of the Assembly Hall at UN headquarters in New York is a constant reminder delegates that their country's voting record remains with them. Large blue boards flanking the member states flank the President's podium; on these each vote is recorded.*

Canada supported many of the resolutions adopted during the thirtieth session of the General Assembly. On 179 resolutions, which were sometimes subdivided for voting purposes, Canada's voting pattern was as follows: she voted affirmatively with all the other members 106 times, voted in favour 58 times, voted against 8 times, and registered 35 abstentions. It is interesting to note that one of the negative votes was on the Korean question, five were on racial discrimination and two were on the Middle East.

#### Negative votes

On November 18, 1975, the General Assembly adopted two resolutions, 3390 A and 3390 B, which presented contradictory approaches to the Korean question. Canada voted in favour of the first resolution 59 in favour (Cda), 51 against, 29 abstaining), as did 58 other states, comprising 19 Western countries and 18 countries from Latin America, nine from Africa and 12 from Asia and the Middle East. The resolution called on the parties directly concerned, that is, in the view of those who tabled the resolution, North and South Korea, to embark on talks so that the United Nations Command might be dissolved concurrently with — and this is the key detail — arrangements for maintaining the Armistice Agreement.

Canada voted against the second resolution (59:43 (Cda); 42)\*, as did 42 other countries, for, while it too called for the dissolution of the United Nations Command, it urged the replacement of the Armistice Agreement by a peace treaty between the real parties to the Agreement, which, as far as the North Koreans were concerned, were North Korea and the United States.

Canada's position with regard to the November 1975 resolutions advocating the elimination of racial discrimination was a consequence of the Assembly's condemnation of Zionism. On October 1, 1975, Maria Masson, Canada's delegate to the Third Committee, pointed out that Canada had always been opposed to racial discrimination. In 1970 Canada had ratified the agreement on the elimination of all forms of racial discrimination and had stated that racism and racial discrimination were diseases afflicting all mankind and should be countered vigorously on all fronts and at all levels. However, the General Assembly's Resolution 3379 (XXX), calling for the elimination of all forms of racial discrimination, which was adopted on November 10, 1975, states that Zionism is a form of racism and racial discrimination. Such a resolution was unacceptable to the Canadian delegation, which was supported by Canadian public opinion and all the Western countries, except Greece, which abstained, and Spain, which did not vote, as well as by ten Latin American countries, most of which were from Central America, five African states, Fiji and, of course, Israel. In the overall voting the resolution

*Opposition  
to racial  
discrimination*

\*The bracketed figures present the vote on the resolution. The first figure is the affirmative vote, the second is the negative, and the third the abstentions. Canada's vote is given in brackets in the appropriate group.

was supported by 72 countries, including some of the Third World countries and the Communist nations, except Romania, which did not vote. Thirty-five countries voted against it and 32 states, comprising 12 African, eight Asian and Middle Eastern and 12 Latin American countries, abstained. In Canada, the House of Commons and the Legislative Assembly of Ontario unanimously adopted resolutions ratifying the Canadian vote.

In the same context, Canada voted against (116;8 (Cda); 7) Resolution 3378 (XXX), which was adopted by the United Nations General Assembly on the same day and which contained a proposal for Ghana to host a world conference to combat racism and racial discrimination. The resolution was also opposed by one African, 14 Western and two Latin American countries and Israel. On December 15 Canada voted against (90;21 (Cda); 22) Resolution 3519 (XXX), which called for women's participation in the strengthening of international peace and security and in the struggle against colonialism, racism, racial discrimination, foreign aggression and all forms of foreign domination. Canada was joined by 20 other countries, including 13 from the West, three from Latin America, one from Africa, Israel, Albania and China, which, as we shall see, do not always vote with the other Communist countries. Two other resolutions, 3377 and 3411 G, on the fight against racial discrimination, one concerned with southern Africa in general and the other with South Africa in particular, were opposed by Canada on November 10 and 28, 1975.

These resolutions can be seen as part of the great movement towards decolonization, which Canada fully supports; this was pointed out on November 26, 1975, by the Canadian delegate to the General Assembly, who said that Canada had always defended the rights of people under colonial domination to self-determination and independence. Nonetheless, Canada concurred neither with the notion that Zionism was equivalent to racism nor with the adoption of extreme measures that precluded the possibility of dialogue and relations with governments practising racial discrimination. The two resolutions on Africa mentioned above reflected both of these elements. The first resolution was opposed by 15 Western, one African and two Latin American states, and Israel, indicating that Canada's position ran contrary to that of the majority. The second resolution, which included a condemnation of South Africa's principal trading partners, namely the United Kingdom, the

United States, France, the Federal Republic of Germany, Japan and Italy, was opposed by 13 Western countries, including Canada (111;15 (Cda); 16), Japan and Israel, but was supported by a large majority. Eight Western, three Latin American and three African countries, in addition to Iran, abstained.

Canada's other two negative votes were registered on November 10 and December 5 on resolutions concerning the extremely important Middle East question, which has engaged the attention of the United Nations for many years. The first resolution, 3376 (XXX), affirmed the "inalienable right" of the Palestinian people to return to the homes and property from which they had been displaced and uprooted. The resolution, which was drafted by the Palestine Liberation Organization, contained a proposal for the formation of a UN Committee on the Exercise of the Inalienable Rights of the Palestinian People. Canada objected to the creation of this new structure, which, it was felt, would only further complicate the Palestinian problem. Canada also reserved its decision as to whether the Palestine Liberation Organization was, or could claim to be, the sole spokesman for the Palestinian people and was of the opinion that Israel's right to exist should also be taken into account. Canada therefore voted against the resolution (98;18 (Cda); 27), as did nine other Western countries, namely Belgium, Denmark, the Federal Republic of Germany, Iceland, Luxembourg, the Netherlands, Norway, the United Kingdom and the United States, five Latin American countries, Fiji, Israel and Swaziland. The countries abstaining included eight Western countries, Japan, and nine Latin American and African countries.

The second resolution, entitled "The Situation in the Middle East", was a consequence of the General Assembly's concern over the problem as a whole. Canada voted against the resolution on the grounds that it did not reflect an objective analysis of the situation in the Middle East. Specifically, the resolution called on all states to "desist from supplying Israel with any military or economic aid" as long as that country continued to "occupy Arab territories and deny the inalienable national rights of the Palestinian people". Canada was joined by the nine Western countries mentioned above, five Latin American states, Liberia and Israel, while eight Western, 11 Latin American and six African countries as well as Japan and Fiji abstained. It is interesting to note that 14 countries, including Albania, China, Iraq and Libya, did not vote.

*Resolution  
as part of  
decolonization  
movement*



These eight negative votes reflect both the adoption of values that are considered fundamental and a political alliance with certain countries, mainly those of the Western bloc. Eight other Western countries, namely the United States, the United Kingdom, Belgium, Luxembourg, the Netherlands, the Federal Republic of Germany, Denmark and Norway, as well as Israel, also voted against all eight resolutions. Iceland and Nicaragua voted against seven of the eight resolutions, the Republic of Ireland and Italy voted against six, Australia and Haiti against five, France and Liberia against four, and Finland, Sweden, Barbados, the Dominican Republic, El Salvador, Honduras, the Central African Republic, Malawi and Swaziland against three. Apart from China and Albania, none of the Communist countries took up a position similar to that of Canada, nor did the great majority of Third World countries.

### the abstentions

Alliances are not as clearly defined in the case of the 35 abstentions registered by Canada during the thirtieth session. Three instances involving the previously mentioned problems of decolonization and racial discrimination would seem to be of particular interest. The first is the vote of December 11, 1975, on Resolution 3480 (XXX), concerning French Somaliland, where, in the terms of the resolution, the situation "could constitute a threat to peace and stability in the region". France did not vote, and 109 countries voted in favour of the resolution. Fourteen Western countries, including the United States, the United Kingdom, Canada, the Federal Republic of Germany, Ireland, the Benelux countries, Denmark, Italy, Greece, Spain and Portugal, abstained, as did Israel, the Bahamas and, from Latin America, Brazil, Chile, El Salvador and Guatemala. On this occasion, Canada (109;0;20 (Cda)) pointed to the statement by the administering power, France, of its intention to respond positively to aspirations for independence if such were the will of the people of the territory in question. The African and Asian countries voted unanimously for the resolution.

With respect to Resolution 3458 A-B, pertaining to the Spanish Sahara question, 11 countries, including Albania and China, voted against Sub-resolution A, while only two Western countries (Spain and the United States), 14 Latin American countries, ten African nations and eight Asian and Middle Eastern countries joined Canada (88;0;41 (Cda)) in abstaining. On Sub-resolution B, however, the number of

Western countries abstaining with Canada (56;42;34 (Cda)) rose to nine, and they were joined by eight Latin American, eight African and eight Asian and Middle Eastern countries. The inconsistency and hesitancy of countries and groups is symptomatic of a situation described as "delicate" by the Canadian delegate on November 26, 1975, because it involved both the principle of self-determination for the people of the Spanish Sahara and a dispute between African nations.

The third example selected for the present discussion is the vote taken on Resolution 3383 (XXX) on November 10, 1975, which stressed the "adverse consequences for the enjoyment of human rights of political, military, economic and other forms of assistance given to colonial and racist regimes in southern Africa" by countries described as "accomplices". Eighteen countries did not vote: Romania, Burundi, Gabon, Gambia, Guinea Bissau and Sierra Leone, eight Latin American countries and four Asian countries. Canada was joined in abstaining by seven Western countries, namely the United States, the United Kingdom, the Federal Republic of Germany, France, Belgium, Luxembourg and Italy. Malawi was the only African and Israel the only Middle Eastern country to abstain.

The fluidity of alliances and convergent views amongst Western countries does not seem to be demonstrated in these three instances. By the same token, most of the Third World countries and the Communist states took a stand in opposition to that of the West, though some states did not vote on some issues, a fact which undermines to a certain extent any conclusions which may be drawn.

### Disarmament and non-proliferation

With respect to disarmament and non-proliferation, another area of particular interest to the Canadian Government, we find that voting alliances seem to be fluid. In the address mentioned earlier, the person in charge of Canadian diplomacy, Allan J. MacEachen, explains the complexity of this particular problem in these words: "Few issues before this Assembly give rise to aspirations so great or frustrations so deep as the question of disarmament. We aspire to agreements that will check the use of force, reduce tensions, and free resources for productive social and economic purposes. But our hopes are frustrated by the relentless drive towards new heights of destructive power." The major decisions in this regard are taken mainly by the superpowers — the United States, the Soviet Union and China — which form and break

*Convergence  
of Western views  
not demonstrated*

alliances as various problems are brought before the General Assembly. This "selective" approach has also been adopted by Canada.

In the case of Resolution 3463, for example, which is entitled "Implementation of General Assembly Resolution 3254 (XXIX)", and which calls for the reduction of nations' military expenditures, nine Communist countries, as well as the United States, the United Kingdom, Canada (108;2;21 (Cda)) and six other Western countries, abstained, whereas most of the Third World countries voted in favour of the resolution and China and Albania voted against. Canada also joined the Communist countries and the United States in abstaining (106;0;25 (Cda)) on Resolution 3468 (XXX), entitled "Implementation of the Declaration of the Indian Ocean as a Zone of Peace". China and Albania voted with the majority of the Third World countries in favour of the resolution. On another occasion, the United States was joined by the Communist countries and certain Western countries, including France, the Federal Republic of Germany and the United Kingdom, in abstaining on Resolution 3466 (XXX), which stressed the urgent need for cessation of nuclear and thermonuclear tests and called for the conclusion of a treaty designed to achieve a comprehensive test ban. Canada, on the other hand, voted in favour of the resolution, as did Australia, New Zealand and most of the Third World countries. China and Albania opposed the resolution.

Abstention by both the United States and the Communist countries was seen again in the case of Resolution 3473 (XXX), on the ratification of the Treaty of Tlatelolco, and of Resolution 3477, concerning the establishment of a nuclear-weapon-free zone in the South Pacific, while Canada (113 (Cda); 0;16) and (110 (Cda); 0;20) and most of the other states voted in favour of both resolutions. On another nuclear arms question, Resolution 3472 B, defining nuclear-weapon-free zones and the principal obligations of the nuclear powers in respect of these zones, Canada joined the Communist countries in abstaining, while the United States and certain Western countries opposed the resolution and the majority, including China, supported it. The variations in voting patterns are demonstrated by the vote on the Soviet proposal for a treaty on the complete and general prohibition of nuclear-weapon tests: the resolution, 3478 (XXX), was supported by 94 states from the Communist and Third Worlds and opposed by China and Albania, while Canada (94;2;34 (Cda)), the United States, certain other

Western countries and some Third World allies abstained.

In principle, Canada is in favour of the creation of nuclear-weapon-free zones. However, as the statement by the Canadian delegate on November 4, 1975, indicates, Canada reserves the right to study each individual case before coming to a decision, mainly in order to assess the practical implications of resolutions tabled before the Assembly and, in particular, the positions taken by the principal military powers of the area in question, the balance of power and the provision of guarantees.

### New economic order

On the question of the new economic order, one of the session's hottest, issues, resolutions calling for the implementation of the principles outlined during the seventh special session did not, except in the case of those resolutions which entailed no immediate and specific commitment on the part of the industrialized countries, meet with the approval of all delegations. Most of the 42 resolutions proposed by the Economic and Financial Committee were adopted without a vote being taken, but also without the enunciation of any specific obligations to apply to the parties concerned. Canada (112 (Cda); 1;14) joined 111 other countries in supporting a resolution on the objective of public development aid established in the international development strategy and it abstained with certain other Western countries on six other resolutions, which in some instances were opposed by the United States. The opposition between the Third World, supported by the Communist countries, and the industrialized countries on this issue was clear-cut.

In short, as the search for new political and legal institutions to aid in establishing a new world economic order progresses, problems have arisen as part of a forward-looking trend that upsets many established structures and interests. The general conceptual framework has only recently taken shape. The goals, too, have been set forth in a number of recent international undertakings, but the concept of the world's collective responsibility, in the various political, legal, social and economic senses of the term, still lies in that ill-defined no man's land of political debate which yields few positive proposals that ever meet with the unanimous approval of the United Nations as a voting body. The position taken by Canada is considerably influenced by this state of affairs and consequently is worked out carefully, as if it were a picture painted with delicate strokes on an ever-moving background.

*Resolution  
on cessation  
of nuclear  
testing*



# The emergence of culture as a facet of foreign policy

by George A. Cowley

When someone mentions the word 'culture', Hermann Goering is credited with having said, "I loosen the safety-catch on my pistol." Many traditional diplomats could probably be delighted if they could afford to be so candid — especially when someone suggests that cultural initiatives can make a useful contribution to the conduct of foreign policy.

Artistic and academic relations between nations have rarely been appraised so passionately. Either they have been dismissed as "nice but inconsequential" or, swinging occasionally to the other extreme, have been unreasonably expected to provide instant solutions to intractable political problems. The critic of cultural affairs uses a diabolical technique — he writes off cultural relations as frivolous until contrary evidence appears, and then professes to expect so much of them that, when they fail, his criticism can be more biting than ever.

Such is the price we pay for living in this highly-charged political atmosphere, in which the short-term political test too often is substituted for longer-term, more profound analyses. One cause is a tendency to confuse efforts to bridge an immediate, short-range informational gap with the support of cultural activities as an enlightened expression of national policy and personality. Cold War manipulation by several nations of both information and cultural activities for political ends, for others to follow suit, creates temptations. The result is that both activities are drastically discredited. There may be crises when informational techniques may justifiably be pushed into play with a hasty and even a heavy hand, but to suggest that cultural relations can be similarly exploited is shortsighted and self-defeating.

Politics apart, the confusion of informational and cultural techniques, and the resultant attempt to appraise cultural relations with short-term criteria, is destructive in a further sense. It leads inevitably to an inability to work in depth, to a psychology of year-by-year budgeting and

a failure "to see the forest for the trees". It is true that cultural and educational programs share with informational initiatives one clear objective: to influence the behaviour of world governments. But cultural programs are intended to influence not this year's governments or even next year's, but the next decade's. This long-range objective cannot be achieved if cultural initiatives are burdened with the task of promoting short-term policies and political objectives.

In modern times the first nation to realize the full potential of cultural relations was France. By the mid-nineteenth century, an impressive program of educational and scholarly initiatives had been orchestrated and launched in the Near and Far East by the French Ministry of Foreign Affairs. The rationale of this policy was spelt out early; the best way to conquer the natives, declared the *Grande Encyclopédie* in 1886, was not by overwhelming them with arms but by teaching them French. Innumerable French leaders have since candidly acknowledged the contribution of cultural programs to France's foreign policy, the most recent instance being the unqualified praise heaped upon such programs by Charles de Gaulle in his *Memoirs*. Indeed, changes in Gaullist foreign-policy objectives, as recent relations between France and Canada make clear, were often first signalled by new initiatives in cultural affairs.

No other nation equals the effectiveness with which the French support elementary and secondary education as a component of cultural relations. French *lycées* and over 30,000 French teachers throughout the world offer a centralized

*French lead in recognizing potential of cultural relations*

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and universalized curriculum. Their success in implanting a love of the French language and culture in succeeding generations of foreign students cannot be overestimated. The prestige and influence France enjoys in, to take an obvious example, the Middle East, compared to its more free-spending English-speaking competitors, is a direct result.

The Germans of the Nazi era looked with envy on the French example, and determined to go it one better. They saw French cultural initiatives not as benign and mutually-beneficial relations with other countries but as highly-effective weapons of domination. Hermann Goering apart, the Nazis embarked with enthusiasm on a vast and vigorous program of cultural expansion, the political and propagandist motives of which were given only token disguise.

It was partly in reaction to the massiveness of these German initiatives that the British Council was created. From its inception, the British determined that the Council should present the greatest possible contrast to the monolithic and government-puppet image of the German experiment. The British Council was and is an autonomous body. Though it enjoys government counsel and financial support, it is an organization not of civil servants but of private citizens, artists and educators. The official purpose of the Council remains "to make British life and thought more widely known abroad, to encourage the study of the English language and to render available abroad current British contributions to literature, science and the fine arts".

The Council was barely in effective operation when the 1939 conflict broke out. By that year its budget was \$400,000; comparable French spending was \$4 million, and the Germans were spending \$20 million.

The United States, traditionally suspicious of government intervention in cultural matters, entered into official competition late and cautiously. In 1938, a division of cultural relations was established in the Department of State but was forbidden to operate outside the Western Hemisphere. Its ambit was widened in 1943; and generous funds were made available for scholarly exchange in 1946. Soviet initiatives have inspired expanding American involvement in cultural relations and, though the philosophies governing the methods of the two countries differ radically, each watches the other with a keenly competitive eye. President Kennedy indicated the importance he attached to the subject by appointing the first Assistant

Secretary of State for Educational and Cultural Affairs, a position now held with distinction by John Richardson, Jr.

The story of formal Canadian Government involvement in international cultural relations, which dates from 1963, is told in another article in this issue of *International Perspectives*. Canada's current budget in the field is about \$5 million annually. Comparisons with other nations are difficult to make, because each has a different definition of what constitutes "cultural" affairs. The U.S. State Department's Bureau of Educational and Cultural Affairs, employing similar criteria, spends \$16 million a year. The British Council, whose responsibilities are wider, has an annual budget of about \$100 million, and French spending, based on even broader definitions, exceed \$250 million a year. Budgets for exchanges in the performing and visual arts are easier to calculate and compare: Britain \$5 million, Canada \$2.5 million and the U.S. a modest \$1 million. The budgets of most other nations for artistic presentation abroad fall within a similar range.

### Justification

If we are seeking justification for expenditures on cultural relations, we can perhaps begin with the basic assumption that, at the present stage of human history, no man or society can hope to be "an Island, entire of itself . . .". We are part of an international community that, for the sake of its own stability and welfare, relies heavily on its interrelations. This fact is easier to view in a political than in a cultural perspective. Obviously, an international agreement on the limitation of nuclear testing is beneficial to all; isolationist groups in any country are exposed not only as retrogressive but as unrealistic. A similar situation exists in cultural affairs. International culture is simply free trade in cultural "goods". In a report entitled *Reconstituting the Human Community*, the Hazen Foundation of New Haven, Connecticut, states that cultural relations are "the chief means to shape the future of men and nations, to change their directions through creative mutual borrowing and to strengthen an awareness of shared values". "Mankind," the report goes on, "is faced with problems which, if not dealt with, could, in a very few years, develop into crises world-wide in scope" [this was written before the oil embargo].

"Interdependence is the reality of world-wide problems the prospect; and world-wide co-operation the only solution. As a tool for sensitizing people to the reality and the prospect, stimulating then

*British Council  
in response  
to German  
initiatives*



to attempt the solution, . . . cultural relations are, and will increasingly become, a decisive aspect of international affairs.

"If men want to move in new directions, they will have to broaden the range of their potentialities and capabilities. They have to be able to manipulate and manage larger political, economic and business units at the same time as they learn to build and preserve smaller communities, against the depersonalized impact of the laws of science, technology and the larger bureaucracies, men must find and fathom new religious and spiritual depths. There is a need for a new humanism beyond the superficial unity that is imposed upon men by the global communications system. We cannot be kept together to build a new future unless we are linked to our fellow-men by more than survival instincts. What each of us needs is a new moral vision or a new philosophy of history capable of giving us at least some notion of where we may be going and some sense of the value of our place in the changing world in which we live."

"We know today," President Lyndon B. Johnson once observed, "that ideas, not armaments, will shape our lasting prospects for peace, that the conduct of our foreign policy will advance no faster than the curriculum of our class-rooms, that the knowledge of our citizens is one treasure which grows only when it is shared."

A free exchange of cultural accomplishments and ideas presupposes a certain independence from political objectives. Art for propaganda's sake loses its right to be called art and the right of its perpetrators to credibility. Theatre, to take an obvious example, can reflect society convincingly if it does so honestly. The warts make all the more believable the artist's faith in his nation's basic beauty. *Louis Riel* and *Rita Joe* are as essential as *Anne of Green Gables*.

The patience needed to take the long-term view is equally imperative. Many governments of the world have become obsessed with the apparent persuasive power of instant electronic communication, with booming radio broadcasts and telegraphic broadsides. They imagine that by means of these tools they can speak over the heads of other governments directly to the people of other countries. Too often they succumb to the temptation to seek the short-term gain — a momentary propaganda victory over minds, not hearts. To be understood and interpreted correctly, governments must not only employ the "fast" media but must seek through the "slow" media to create a more fundamental and more lasting set of attitudes

and understandings. Schools, universities, books, audiences for the arts, and the minds of influential "opinion-makers" are the channels for the creation of enduring *entente*. Let it not be imagined that the benefits are confined to matters "cultural". We must "increase understanding of the indivisibility of peace and the interdependence of each nation's security", according to John Richardson. "Both knowledge and understanding of these life-or-death matters can be increased through planned cultural exchange. Indeed, it is arguable that, without extensive, informal, and mostly unofficial personal contacts among Soviet and American scientists and strategists over many years, there might have been no test ban treaty, no SALT negotiations, no *détente*."

The importance of reciprocity in cultural exchange cannot be overemphasized. All artistic accomplishment is a "treasure which grows only when shared". Indeed, without such sharing and comparing, cultures become inbred and parochial. Ideas and artistic expression gain validity only when they are widely considered, contrasted, augmented, refined and polished. No country is culturally self-sufficient; all must import or perish; all can export and profit.

As a traditional cultural net importer, Canada will wish to avoid the patronizing manner that has hampered many developed countries in their cultural relations with the Third World. "The future lies not in remaking cultures in a single mold," argues the *Hazen Report*, "but in discovering and reinforcing local strengths, new cultures and new patterns." Each society has its own inadequacies; each can learn from another's solutions.

Such lofty abstractions create exaggerated expectations, however, and any honest appraisal of the value of cultural relations must be tempered with a description of their limitations.

Personal contact and communication between persons does not automatically guarantee good relations between nations. Natives of many parts of the world that are visited by large numbers of tourists often tend to regard the foreigner as a nuisance, if not actually a figure of contempt — whereas, by curious contrast, countries that receive relatively few foreign visitors often welcome those who do come with a warmth and interest that may be quite at variance with their respective governments' official attitudes.

"Goodwill" and "understanding" are not the same thing, or even necessarily related. "Understanding" may mean sympathy, but it may simply mean a capacity

*No country  
culturally  
self-sufficient*

to describe attitudes and behaviour accurately. Greater understanding can, therefore, on occasion lead to a recognition that another country's interests and ideals are not only different from but incompatible with one's own.

Close contact between people of different nations (or even of different religious persuasions) is not necessarily enough to keep them at peace. Some common interest and some degree of willingness to seek further for such common ground are indispensable prerequisites.

Cultural relations, however romantic their subject matter, cannot be confined completely to romantics. Hard-headed appraisal is necessary before any program is embarked on; the receptivity and sensibilities of the proposed audience are every bit as important as the quality and communicability of the proposed cultural offering. If these factors have been coldly weighed, the subsequent warmth of real *rapprochement* and lasting friendship may reasonably be assured; without this clinical analysis, relations between nations can be set back a century.

The obvious moral is that people involved in the promotion of cultural exchange should be carefully selected and prepared, and should be capable of the most perceptive discernment of the myriad elements at play.

The diversity of skills required by cultural attachés should not be underrated. They must be as persuasive as travelling salesmen, more eclectic in their knowledge than professors, as enterprising in arranging for exchanges and visits as travel agents and tour leaders, as alive to local hopes and sensitivities as social psychologists; and they should have the diplomatic finesse of the most seasoned foreign service officers. They must have a broader range of contacts than most ambassadors, both in their host country and in their homeland.

If he is successful in the use of these skills, the rewards to the attaché will transcend his own field of cultural affairs. The student of a nation's history and politics in the abstract all too often delivers his judgment from the isolation of an ivory tower. Learning about a country is more an art than a science, an intimate emotional encounter rather than the memorizing of statistics. The student who immerses himself in a nation's culture can come closer to knowing the soul of a country, and can more accurately estimate the course its people will take. He will have a greater sensitivity to the irrational psychological and emotional factors that largely determine popular reaction to new developments. The cultural attaché's potential

contribution in fields other than his own should not, therefore, be overlooked. His knowledge of his hosts' psyche, and the specialized contacts and techniques he has at his disposal, can often make him valuable in the pursuit of apparently unrelated political or economic objectives.

The specialised requirements for work in cultural affairs lead to one obvious conclusion previously often ignored but now increasingly appreciated: the job is not for a professional. Only the dedicated and talented, whether from academic, artistic, administrative, or foreign service ranks should be recruited; and they should be offered career opportunities commensurate with those reserved in time past for the political and economic specialists in the foreign service.

### The private sector

Cultural-affairs specialists, as a defense against attempts to use their programs for short-term political or propaganda objectives, will encourage maximum participation by the private sector. Indeed, a desirable aim in a free society may be to have almost all cultural relations entrusted to the private sector, with the government in the role of occasional catalyst. *En route* to this goal, the government will be careful to protect the independence of the private sector by such techniques as having the selection of performing arts groups and visual art presentations, of scholarship winners and professorial exchanges, made by committees manned by members of the artistic and academic communities themselves. The contrast is obvious with the selection policies adopted by more authoritarian governments, which subordinate individual desires to political objectives. However, to give primacy to individual freedom over government ambition requires much greater effort, patience and flexibility. Authoritarian regimes have no difficulty in reconciling the cultural traditions of their countries with their political purposes, in the firm conviction that art, science and scholarship owe their existence only to their use as instruments of the state. One unfortunate result is the assumption by such regimes that foreign scholars in their midst are essentially bent on espionage — an assumption often prompted by an almost neurotic fear of ideological contamination. The choice of scholars to be sent to such régimes thus becomes a matter requiring extreme sensitivity.

An intellectual's renown in his homeland is no guarantee of his acceptability abroad. Whether it is appropriate to send him to certain countries

Care needed  
in selection  
of cultural  
personnel



all will depend partly on the philosophical bias of the dominant intellectual circle receiving him, a bias that varies widely among nations. The educational formation and analytical approach of most foreign intellectuals is essentially literary, and their appraisal of social issues tends to be in the context of abstract theories and ideals. North American scholars, particularly those in the social sciences, tend to be more pragmatic, sceptical of ideologies and value judgments. Intellectuals abroad are often, as a result, more leftist in their political sentiments than their North American counterparts, whom they view as too often mere apologists for the status quo. But, while populist in their politics, they are often élitist in their educational and cultural ideals, highly disdainful of "mass culture". Scholars, students, writers and artists abroad often see themselves as a separate social class with a unique and iconoclastic, even revolutionary, mission; in extreme cases, they view the North American's traditional willingness to advise or (even worse) take part in the governing establishment as renunciation of status and defection from principle. A scholar sent to countries where this intellectual environment obtains, who is insensitive to the differences in basic assumptions involved, may not only fail to reach any effective meeting of minds with his counterparts; he may, in fact, whatever his own intellectual merits and goodwill, succeed simply in diminishing what cultural communications previously existed.

### Importance underscored

The risk of intellectual conflict, however, is certainly not a justification for renouncing the advantages of sending one's intellectuals abroad. The risk merely underscores the importance of choosing the right envoys. For all their élitism, it is the intelligentsia in most nations who are the prime movers of public opinion. Creative "dialogue" with these idea-makers and opinion-formers is the heart, and *raison d'être*, of effective cultural relations.

Yet, while this fact is acknowledged in relations between developed nations, it is all too often ignored in dealings by these nations with the Third World. Justifiably proud of the generous technical and economic assistance they have given developing countries, many major aid donors have badly underestimated the importance of the intellectual component of development programs. Worse, administrators of such programs have all too often shown an inadequate sensitivity to the cultural environment of the developing country

concerned, and a failure to weigh the psychological and social, not to say political, consequences of their involvement. As a result, many aid programs have had results quite different from those that were planned. Development planners stubbornly persist in failing to recognize that simple economic betterment alone never satisfied the more profound aspirations of people in developing nations. Much less does it lead to the development of the climate of intellectual openness necessary for democratic institutions to evolve.

Technical assistance, in short, is likely to be money wasted unless it is culturally penetrating. If it is to take hold and realize its goal, if it is to stimulate the "take-off" it is intended to stimulate, people in many of the countries receiving such aid may have to make fundamental changes in the ways they think and act. They may, perhaps for the first time, have to develop a social conscience and an awareness of national responsibility. They may have to endorse sweeping and unprecedented changes in the distribution of the national product.

To take an elementary example, how often have programs of technical aid foundered because people in key positions in host countries were more sensitive to their perceived obligations to their immediate facilities than to their unperceived duty to share equitably the benefits of economic advancement? The nepotistic local official views his nepotism not as immoral behaviour but as moral responsibility; what is at issue is not a choice between virtue and corruption but a conflict between moral systems. Technical assistance imposes its own subconscious humiliation, and thus inspires resistance that is not only emotional but cultural, psychological and, ultimately, political. Thus aid unsupported by intelligent dialogue runs the risk not only of being unproductive but of being decisively counter-productive.

*Technical assistance must be culturally penetrating*



Atkinson Film-Arts

The intellectual content of aid may, therefore, prove to be its most enduring component and, in meeting social aspirations, the most valuable. The humanist, the social scientist, the professors of administration, of government, of social work, of education, have as vital a role to play in development assistance as the hydraulics engineer and the nuclear physicist. A workable and effective aid program considers the needs of the whole man.

### Limits of cultural effectiveness

One caveat must be clearly recorded. A nation's ability to suggest a more humanistic philosophy or to demonstrate a greater social conscience will be limited by the extent of its own embodiment of the ideals it professes. In the broader sense, the effectiveness of a country's foreign cultural initiatives will be in direct ratio to the character and quality, as well as the vital-

ity and richness, of its own national culture. We cannot convey a higher standard of concern for the greater good if we neglect it within our own borders — much less, if we allow our multinational corporations to make a mockery of it abroad. Similarly, we cannot suggest that we are a culturally-advanced nation, a "creator of goods of quality", if we neglect the cultivation of these goods at home. We cannot starve our authors and artists, our symphonies and theatres, while feasting on comic books and mindless pornography, expecting by some magic that the image of our country abroad can be made to look different from the reality.

The converted have a saying, often simplified but effective: "If you have only two pennies left, spend one on bread and the other on music. The one will give you the means to live, the other will give you the reason."

## Cultural affairs

# The Canadian experience in cultural relations

By Freeman M. Tovell

The Royal Commission on National Development in the Arts, Letters and Sciences, the Massey Commission, reported in 1951 that "our cultural relations are still in an elementary and almost non-existent stage". Beyond the efforts of a few voluntary agencies and some departments of government, very little was done, owing to lack of funds, the scarcity of facilities for aiding exchanges, and the absence of a single agency responsible for policy co-ordination and official aid. After noting that "cultural matters are becoming more and more an essential part of foreign policy", the report stated: "The promotion of international

exchanges in the arts, letters and sciences would increase Canada's prestige in other countries. It would give the worker in the creative arts a wider export market and in return would enrich the cultural fare received by Canadians from abroad."

The first positive step to develop a co-ordinated program was not taken until 1963. In that year, the Cabinet approved a modest reciprocal program with France, Belgium and Switzerland. In 1965, the Cabinet approved an extension of the program to three European countries from which come substantial groups of Canada's population — Italy, Germany and the Netherlands. In the same year, a division responsible for cultural affairs was created in the Department of External Affairs. Subsequently, in 1971, a first program was developed with the U.S.S.R., and in 1973 with the People's Republic of China. Occasional exchanges were arranged with the United States and Britain to supplement the fairly extensive activity already taking place under private auspices, but these were relatively few in number.

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The experience gained in this period, however, drove home the need to develop a forward-looking policy, adequately financed and geographically more broadly based. The tremendous explosion of cultural creativity and achievement at home in the 1950s and 1960s made it possible to plan with some assurance. In the performing, visual and what Northrop Frye has called the communicating arts, Canada now had much to offer and many of its artists and groups had reached an international level of excellence. Some, indeed, had already become known, respected and established abroad. The same was true in the academic sphere. Canadian universities, in particular, became recognized broad for the high quality of their teaching and research, and were attracting an increasing number of foreign students. Canadian professors were finding the need for constantly-expanding enrichment. Academic exchanges were not only merely desirable but possible and could be mutually profitable.

### Clear commitment

This, very briefly, is the background to the announcement made by the Secretary of State for External Affairs when he inaugurated the Chair of Canadian Studies at Edinburgh University last October (see box). Canada is now clearly committed to an active program of cultural relations with other countries.

As these relations are now a recognized and important part of international diplomacy, the conduct of Canada's foreign cultural relations rests with the Department of External Affairs. The Massey Commission noted that "encouragement of the arts and letters in this country cannot be disassociated from our cultural relationships with countries abroad" and that "cultural exchanges . . . are important in promoting the normal development of Canadian cultural life". At the federal level, therefore, the program is implemented in close consultation with the Department of the Secretary of State and the agencies for which the Minister of that Department is responsible, especially the Canada Council and the National Museums of Canada. The role of the private sector has continued to be significant, and the provinces are becoming increasingly active. Although no formal machinery has been erected to bring federal, provincial and private efforts into harmony, there is a good deal of informal consultation and co-operation.

The main objectives of the program can be stated as follows:

- (1) to support the achievement of Canada's short- and long-term foreign policy objectives;
- (2) to reflect internationally the growing creativity and scope of Canada's cultural scene and thereby improve professional opportunities for Canadian artists, academics, writers and others, and open new markets for Canadian cultural exports;
- (3) to provide continuing and new sources of enrichment of the national life.

"Culture" is one of those words that defy a universally-satisfactory definition. If we accept Lord Keynes's conception of culture as "the civilizing arts of life" or the definition of the *Shorter Oxford English Dictionary* ("the intellectual side of civilization"), we are close, for cultural relations embrace all areas of the performing arts (music, dance, mime and theatre), the visual arts (painting, sculpture, architecture, etc.), the communicating arts (radio, TV, film, tape, etc.) and the whole range of academic and intellectual endeavour. However, for most countries, including Canada, they also take in the all-important sector of "exchanges of persons", embracing, for example, varied programs of youth exchanges, lecture tours abroad by prominent artists and composers, scholarships for specialized training in artistic disciplines, exchanges of literary figures, and so forth.

### Communication

But the essential objective of cultural relations can be summed up in one phrase: communication between people. More than ever, there is a need to bring people closer together, so that a greater knowledge of the values and institutions of others can be mutually gained. Cultural relations must be developed pragmatically, bearing in mind that what may be suitable for one country will not necessarily be appropriate

*The problem of defining culture*



Atkinson Film-Arts

for another, that the conditions and the atmosphere in which they are conducted may alter, that priorities can change. To establish a detailed policy would be hazardous and, in the end, probably unrewarding. But it is necessary to have a clear conception of what end is desired and of the means available to achieve it. This in turn means careful, long-range planning, assured financing, the participation of all regions of Canada and the best use of the great variety of available program elements.

Canada now has a General Exchanges Agreement with the U.S.S.R. and cultural agreements with Belgium, Brazil, France, Germany, Italy and Mexico, and will shortly conclude one with Japan. It also has active exchanges with a number of other countries, not governed by any formal instrument. As cultural exchanges, whether based on strict reciprocity or not, can in many cases be carried out without an intergovernmental agreement, a decision to negotiate such a document becomes a matter for careful consideration. In some cases — for example, internal administration — a cultural agreement may be needed to obtain necessary funds; in other cases, it may be required to fulfil a particular political need — for example, further evidence of one country's wish to indicate in yet another area a desire to broaden and deepen the relationship.

On the other hand, the absence of a formal agreement with a cultural partner in no way indicates any intention on the part of either to depreciate such relations. Rather, it can be a mutual recognition that, because resources are never unlimited, each must retain some flexibility and avoid commitments that may later on no longer reflect the same priorities. It can also mean that the general state of relations is so little hampered by any major political or other difficulties that an agreement becomes superfluous. Some countries operate on a project-to-project basis, and others do not negotiate cultural agreements as a matter of policy. Canada's approach has been conservative, careful not to become over-extended either in the cultural resources needed to implement a program or in the means to pay for them. This cautious approach has made it possible to have programs of varying degrees of variety and intensity with a larger number of countries than would otherwise be the case and to seize unexpected opportunities.

As will be clear from the foregoing, the determination of where cultural-exchange priorities lie will follow mainly but not exclusively from foreign-policy objectives. The principal "thrust" of activity at the moment is the implementation of the

"Third Option" policy, which calls for Canada to live "distinct from but in harmony with the United States". In terms of cultural policy this means a continued emphasis on Western Europe, particularly in support of the newly-signed "contractual link" with the European Community, programs with Eastern Europe in support of the Final Act of the Helsinki Conference on Co-operation and Security in Europe, a broadening of Canada's cultural relations with Japan and, with the United States, the beginning of a highly-selective program. Such concentration does not, of course, exclude the development of programs with other countries, such as Mexico and the People's Republic of China and members of the Commonwealth and the Francophonie.

The emphasis in current programming on Europe, with which Canada has had long and significant ties and from which came the ancestors of so many Canadians, has a particular meaning for program formulation and planning. Not only does that part of the world constantly witness new and vital cultural achievements but the contribution its nationals make through immigration has given the Canadian cultural scene a diversity and strength which would not have acquired over a long period. This leavening influence has enriched in turn what Canada can export, and every effort is made to capitalize upon it.

### Three headings

Traditionally, cultural programs fall under three headings, and Canada's are no exception. These are artistic exchange, academic exchanges and exchanges of persons. Under the first, grants are given either to carry out a project at the Department's invitation or as a consequence of some other initiative, provided it meets the program's objectives both substantively and geographically. For example, the Montreal Symphony has played in the Soviet Union and the Toronto Symphony in Germany and Austria, and the Vancouver Symphony has toured Japan. The Oxford String Quartet has played in Eastern Europe, the Purcell Quartet of Vancouver has played in Britain, and the Camerata group has played in Cuba and Mexico. The Royal Winnipeg Ballet has performed in a number of countries of Latin America.

Special events are organized for particularly noteworthy occasions such as the two-week "Festival of Canadian Performing Arts" held at the John F. Kennedy Center in Washington last October as part of Canada's salute to the U.S. Bicentennial. Assistance has been given a number





*The need for financial support for travelling cultural groups is demonstrated by the amount of equipment that has to accompany orchestras and other groups. Shown above are members of the Montreal Symphony unpacking their instruments backstage at Carnegie Hall. The orchestra was in New York as part of its 1976 international tour.*

of soloists to participate in important festivals. Jazz and other forms of popular music are now being included in programming. Major exhibitions of Canadian painting have been held in such far-distant cities as Peking, Paris and Moscow. Canadian sculpture has been seen in Antwerp and Budapest, and the Department has organized five self-contained travelling exhibitions of graphics, each on a particular theme, for showing in art galleries abroad. Eskimo prints and sculpture and native Indian crafts, as well as regional handicrafts, have not been neglected.

Theatre companies such as the Théâtre du Nouveau Monde, Toronto Workshop Productions and the Stratford Festival have toured parts of *francophone* Africa, England, the Netherlands, Poland and the U.S.S.R. Books by Canadians and about Canada are donated to over 50 national libraries and universities and a significant book program has been developed for secondary schools in the United States. Reciprocal exhibitions of books have been organized by the National Library in a number of countries. A literary

prize for writing in French is awarded jointly with Belgium every year; a similar prize for writing in English has been developed with Australia. Festivals of Canadian feature films have been organized in the United States, France and Italy. Recordings and radio and television programs are exchanged. The Canadian Cultural Institute in Rome has become a focal point of activity in Italy. The cultural centres now operating in Brussels, London and Paris have a growing volume and variety of exhibitions, concerts, lectures, seminars and so forth, which attract an increasing number of visitors (last year, over 70,000 persons attended various events at the Centre in Paris). It is departmental policy whenever feasible to include in newly-opened chanceries basic cultural facilities, such as reference libraries open to the public, exhibition space for small art shows and auditoriums for films and lectures. From time to time, Canadian embassies and high commissions organize "Canada Weeks", poetry readings, film showings and the like.

*Increasing  
number  
of visitors*

As noted above, the role of the provinces continues to increase in importance. In some cases, the ministries responsible for culture are able to organize and finance projects by themselves; in other cases, they share in the federal effort. This is to be welcomed, both for the added variety it brings to the program and because much more can be done than if matters are left to one level of government. Some projects have been planned as co-operative efforts. Two examples are the exhibition of paintings by Jean-Paul Lemieux, organized in association with the Quebec Ministry of Cultural Affairs, which travelled to Czechoslovakia and the Soviet Union, and the Group of Seven works from the McMichael Canadian Collection now travelling to England and Scotland and eventually to the U.S.S.R., arranged with the Ministry of Culture and Recreation of the Province of Ontario. The British Columbia government made available an exhibition of paintings by Emily Carr that was shown at the Cultural Centre in Paris. The Alberta Art Foundation has organized an exhibition of Alberta artists, which was shown in Canadian cultural centres in Europe.

The academic area is similarly varied. Some 400 scholarships for postgraduate study are now exchanged with over 50 countries, including those of the Commonwealth. Of the various programs conducted under this heading, mention should be made of one whereby funds are provided to assist Canadian academics invited to give courses in universities or to participate in important seminars abroad. Canadian universities receive funds to enable them to invite foreign professors of particular renown to give special courses or lectures. The Canadian Studies Abroad Program, a major program in itself, is the subject of a separate article in this issue. There are reciprocal programs with France, Germany and Belgium to enable English-speaking Canadians to travel to these countries to teach English. In addition to the intellectual stimulus received, participants in all these programs return home with a heightened sense of understanding of each other's institutions and ways of life. The links forged are not quickly broken.

The Exchange of Persons Program is assuming a particular importance, stressed as these exchanges have been by the UNESCO conferences in Venice on cultural policy (1970) and in Helsinki of the European ministers of culture (1972). The program is varied and capable of almost unlimited expansion. From a long-term point of view, it is probably the most valuable — and certainly the least costly!

It encompasses exchange programs such as that undertaken with Mexico whereby young specialists and technicians of each country get practical experience in the other in their chosen fields, whether archaeology or plastic chemistry, or an exchange of writers, such as the program with the U.S.S.R., or a grant to the Banff School of Fine Arts and to the Jeunesses Musicales du Canada to bring to their summer camp at Mount Orford well-known performers to give master classes. It also enables the Department to bring foreign writers for meetings such as the International Poetry Symposium held recently at Hart House in Toronto, or persons of the stature of Yehudi Menuhin to attend the International Music Week held in Montreal, Ottawa and Toronto last year and so come directly into contact with Canadian music.

### Many gaps

The foregoing, which gives some examples of the kinds of activity generated, is not intended to give the impression that the program has reached its maximum expansion — quite the contrary. There are many gaps, and many improvements can be made. There is, for example, a need to develop a workable policy to enable non-professional organizations to participate — especially those that represent something uniquely Canadian or have some special quality that can contribute to better understanding. In the field of youth exchanges, more programs should be developed and made relevant. Some could, for example, be developed round subjects of concern such as community-development issues. The use of communications for social development in the Third World is a subject to which Canada has much to offer. Much more can also be done in the area of exchange of visits of cultural figures and critics.

Though officers of the Department at home and abroad are expected to be knowledgeable about Canadian cultural developments, they are not experts and do not claim to be. The professional advice required to carry out the program is formalized in two advisory interdepartmental committees, one for general cultural relations and the other for academic exchanges. Bringing together as they do senior representatives of other federal cultural agencies, they produce a broad spectrum of opinions and ideas. The Committee on General Cultural Relations, which meets monthly, advises on the development of both long-range and short-term plans; it provides a forum in which the federal cultural agencies can pool their knowledge, make known their own efforts and, when

*Assistance  
to academics  
going abroad*



cessary, co-ordinate them to ensure the best use of funds and energies. The committee establishes criteria by which to judge requests for funds in the light of standards that are expected to be reached. Its recommendations on specific proposals are seldom if ever ignored.

The areas of the performing and visual arts, in particular, require very careful consideration, not merely because of the high costs involved but because of the multiplicity of complex factors that, if correctly assessed, can make the difference between success and disaster. A multitude of questions must be asked and answered satisfactorily before a final decision can be taken. The first, and always the most important, is whether the group, or individual artist, or whatever, will meet international standards of excellence. Merely to be "good" on a highly-competitive and demanding international scene is not enough; and merely to be "from Canada" will not create any stampede to the box-

office. Standards of criticism are high and no favouritism can be expected.

Secondly, it must be determined whether the proposal is suitable for a given country and whether it will meet program objectives. Next must be considered geographic priorities, by answering such questions as: Should the orchestra emphasize "X" rather than "Y" country in its tour plans and ignore "Z", which may have had a major event from Canada last year? Should the art exhibition go to "A" and "B" and not "C" because its contents might not be in accordance with the tastes, official or otherwise, of that country? These in turn lead to other questions, such as: Will the theatre proposed be adequate for the nature of the play? Is the venue prestigious and is the audience we wish to reach the kind that patronizes it? Will the paintings receive adequate protection? Is humidity-control satisfactory? Finally, the element of cost: Will the subsidy required be reasonable in relation

## Five-year plan

... Cultural interest and activity in Canada are enjoying a period of unprecedented vigour. ... It was plain that this growth and diversification should be reflected in the foreign policy of our Government, so as to project on the international scene the breadth, depth and creativity of Canadian cultural activities. Accordingly, the Government has approved in principle a five-year plan for broader cultural relations with other countries.

The objectives of Canada's foreign cultural policy, subjected as we are to the generally welcome but somewhat too pervasive influences from the United States, are to maintain and strengthen our British and French connections, to sustain our participation in the institutions of the Commonwealth and La Francophonie, to diversify our cultural exchanges towards selected countries in Europe, Asia, Africa and Latin America. For the selection of activities to be undertaken or promoted, we have chosen three criteria.

First, we plan to establish cultural contacts with more countries and to assist Canadian intellectuals and artists in establishing and cultivating stronger ties with their foreign counterparts.

Second, we are attempting to supplement the conventional types of exchanges with programs in new areas,

where the number of requests for assistance we receive bears testimony to a growing need in Canada, such as more exchanges of teachers in the academic field and more youth exchanges at the cultural level.

Finally, we have borne in mind the findings of important international conferences on cultural exchanges, such as the UNESCO conferences in Helsinki and Venice, which have clearly emphasized the importance of exchanging people, as opposed to simply trading cultural goods. ...

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You may well ask what the Canadian Government hopes to achieve by this wider projection of Canadian cultural interests and activities on the international scene. I suppose most of all we see this as a new way of testing the qualities of our own achievements as a nation. We believe there are valuable mutual benefits to be gained when countries share not only their separate cultural experiences, at as many levels of people-contact as possible, but also their cultural judgments and critical analyses, favourable or otherwise.

*(Excerpts from an address by the Secretary of State for External Affairs, Allan J. MacEachen, at Edinburgh University, October 21, 1975)*

to the importance of the project? Can savings be made by alterations in travel arrangements? What revenue may be expected?

Other less obvious but nonetheless important factors have also to be considered. For example, will any of the painters represented in the exhibition attract the attention of a commercial gallery? Will there be opportunities for actors to have useful personal and professional contacts with theatre people in the host country? Will the event add a cultural dimension to a VIP visit? Will it provide extensive publicity for Canada? What will the tour do for the group's artistic development and reputation?

It is not easy to measure the value of cultural exchange. In no other field of human endeavour is program evaluation more difficult. Nevertheless, it is clear that they are worth while and do produce results. Certainly, Canada's position in the world will be judged as much by its achievements in the arts, letters and sciences, and in learning, as by its other endeavours. While it is not easy to pinpoint, there is a relation between the export of culture and trade, something that goes beyond good design, quality of engineering and workmanship. There is also a relation between culture and efforts to make Canada better known abroad. It is perhaps no exaggera-

tion to say that, in the long run, it is through the medium of culture that we can establish more clearly than in any other way a feeling of respect, born of appreciation — perhaps even admiration — of what other people stand for and have accomplished.

### Opening doors

Finally, cultural exchanges, well planned and executed, can open many doors and keep those already open ajar. On one level, major events attract large numbers of people and provide Canada's diplomatic and consular missions with special opportunities for publicity and contacts that might not otherwise be available. On another level, they improve knowledge of each other's societies and other ways of thinking, and of people as individuals, of the institutions that govern them and the values that they cherish, and so contribute to the solution of international problems.

These lofty yet unmeasurable consequences establish an obvious need for constant re-examination and re-evaluation of programs to ensure that they are relevant to rapidly-changing circumstances and environments at home and abroad, that all regions of Canada benefit from them, that the best use is made of what we have to offer, and that they meet the needs of those they are meant to serve.

*Exchange value  
difficult  
to measure*

## Cultural affairs

# Recent growth of interest in Canadian studies abroad

By John W. Graham

In the present international competition for more satisfying relations, a mixture of trade, technology, security and philanthropy is incomplete without some leavening of

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*Mr. Graham joined the Department of External Affairs in 1957 and has served in Santo Domingo, Havana and London. Now on French-language training, he was until recently Director of the Academic Relations Division. The views expressed in this article are those of Mr. Graham.*

arts and scholarship. Domestic advantage can, of course, be achieved without recourse to cultural support. However, if we are to secure the respect and confidence of those countries whose respect and confidence we value, it will be by projecting the image of a civilized country with rich and varied human, as well as material, resources.

Traditionally this is not a perspective that has greatly shaped external priorities. In consequence, transmitting the message



Canadian cultural vitality has not been strength of Canadian foreign policy. a leader entitled "Canadian Culture the Sixties" (August 28, 1969), the *Times Literary Supplement* declared that "... Canada has done little, especially ternally, to eradicate its traditional putation for philistinism". Strong stuff, at a similar and only slightly less vigorous dictment is contained in the report of e Commission on Canadian Studies assembled by Professor T. H. B. Symons d released in March of this year. The following are a few of the observations and nclusions of the chapter on Canadian studies abroad:

... "it is little wonder ... that our image abroad is vague, when it is not a complete distortion. Canada is still rarely viewed abroad as a distinct country where our society, whole history, politics and literature merit serious intellectual examination. A few of the old ice and snow myths linger on and the epithet of 'the unknown country' may have acquired a new meaning.

"In large measure this lack of knowledge about Canada results from our own failure to make the country better known and understood abroad.

"Canada's cultural relations abroad have been severely neglected, in spite of the fact that cultural links can provide one of the most enduring and influential forms of association between nations."

### General thrust

he general thrust of the Commission's chapter on Canadian studies abroad is welcome, not just as the first public examination of this issue but because it underlines the role of academic and cultural relations in the achievement of national and foreign policy objectives. However, a good deal more has happened since the *TLS* reproach of 1969 than is suggested by the conclusions of the Symons report. These changes are increasingly manifest abroad and it is appropriate that they have been acknowledged by the *TLS*, which devoted the main section of its May 14 issue this year to Canadian literature, history and politics. While the gap has not been closed, Canada's cultural presence abroad is being expanded with government support. (Many of these changes are chronicled elsewhere in this issue by Messrs Cowley and Tovell.)

The Canadian Studies program is the most recent arm of Canadian cultural projection abroad — so recent that almost none of its activities are discussed in the Symons report. As an established Gov-

ernment program with headquarters budgetary and personnel support, it dates from April 1975. More recently, it has been incorporated as a distinct but integral part of the Department's Five-Year Cultural Plan. Within the Department's Public Affairs Bureau, Canadian Studies has become one of the major responsibilities of the Academic Relations Division. The target countries in the first year were Britain, France, Japan and the United States. This year, the program has been extended to Belgium, the Federal Republic of Germany and Italy. If the money can be found, it is hoped eventually to encompass some 28 countries. A few services of the program — the provision of learned journals, bibliographic support, and speakers — already apply to a number of these countries.

Broadly, the purpose of the Canadian Studies program is to develop an informed awareness and a more balanced understanding of Canada. This elastic cliché, which Canadian Studies shares with the Cultural Affairs programs, tends to muddle the scale and importance of the task. Despite an increasingly energetic and effective information program, the transformation of communications and the distribution of Canadian public servants and private citizens round the globe, the image of Canada is probably subject to more distortion than that of any other country of comparable political and economic weight. Almost any curious Canadian abroad will have his stock of bizarre illustrations of this distortion. The imaginary poster of Canadian polar bears digesting foreign tourists is not far off the mark.

The Canadian Studies program is not designed specifically to meet this challenge. It has narrower and more elitist objectives. It concerns itself primarily with educators and the highly-educated, and with bringing to the attention of these groups the distinctiveness and quality of Canadian life and scholarship. To be effective, it must facilitate the development of more productive contacts and cross-fertilization between Canadian and foreign scholars.

For reasons that relate more to what is practicable in terms of budget and personnel than to the scope of Canadian scholarship, the definition of objectives has been further narrowed. For the immediate and still embryonic purposes of the Department's programs, Canadian Studies comprises those disciplines in the social sciences and the humanities with substantive and continuing Canadian content. The traditional disciplines —

*Developing  
an informed  
awareness  
of Canada*

Canadian history, politics, literature, sociology, economics — remain the primary focus. However, lest it risk self-defeat, it must also have some flexibility. The definition includes subjects of international interest with distinctive Canadian characteristics such as minority education, bilingualism and biculturalism, radio and television communications, the study and politics of the law of the sea, etc.

Identifying and defining the problem is a relatively straightforward process. Organizing, structuring and targeting a coherent remedial program within the confines of a modest budget is not. How does one set about informing a sceptical world of letters about the creative explosion in Canada of the past ten years? Unfortunately, it is by no means always true that superlative work will rise to its appropriate level of critical acclaim by a natural process of scholarship and commerce — and much less likely that a discipline, or multidisciplinary network, of Canadian subjects will be accorded a respectable place in the calendar of discriminating foreign universities by the same natural chemistry. Happily, there are exceptions, and we have found that a much greater potential interest exists than we had expected. But, by and large, universities abroad are not clamouring to devote limited time, funds, personnel and library resources to Canadian Studies.

### Japanese example

Take the case of Japan, our second-largest trading partner. Several years ago, the Japanese undertook a canvass of some 800 post-secondary academic institutions to determine, *inter alia*, the area of concentration of each academic. The canvass revealed *one* university teacher with a major interest in Canada. It is hardly surprising that the Japanese image of Canada has tended to be characterized by economic and commercial relations linked to the supply of raw materials. The scale of the task of altering these perceptions is enormous; the balance of myth against reality will obviously not be redressed by itself.

A facilitative Government role is therefore essential. The trick is to perform the role without allowing it to become a vehicle for selective Government messages, propaganda or an expurgated image, thus undermining the credibility of the program. Once the facilitative role is effectively being played, the academic product must stand or fall on its own merits.

The form and combination of programs that constitute facilitative support and encouragement will vary according

to the needs and nature of individual universities and educational systems. Using the Japanese example again, language can be a daunting barrier. If the disciplines of Canadian Studies are to have an impact and permanence in a Japanese setting, they must be understood and taught in Japanese. At the present time there is one Canadian book that is read widely throughout Japan in Japanese — *Anne of Green Gables*. For this reason, one of the first steps taken in the development of a Canadian Studies program in Japan was the selection of three fairly short introductory texts on Canadian Government, economy and history, for translation and publication into Japanese. The texts, chosen on academic advice, are *How Are We Governed?* by John Rickard and John Saywell; *The Pelican History of Canada* by Kenneth McNaught; and *The Canadian Economy* by Ian Drummond. The contracts were decided by tender in Japan and publication is expected later this year.

If the study of Canada is to endure, it is equally important that the discipline be taught in Country X by academics in Country X. This involves: selection and funding to bring to Canada for study foreign scholars with real or potential interest in a Canadian discipline; participation in seminars and conferences; exposure to library resources, research material and Canadian colleagues in the same field. In most countries and in most cases, the process of developing cadres of foreign professors with a sound grounding in their Canadian discipline is long. At the outset, then, it is often essential to have some pioneering work done by Canadian scholars assigned to the Canadian Studies program for a term or a full academic year. As the cost of supporting a Canadian professor and his or her family abroad cuts deeply into the budget, this arrangement applies at present only to Britain, France (partial support), Japan and the United States.

### Edinburgh chair

The Chair of Canadian Studies at the University of Edinburgh is an admirable variant on this pattern. Initiated, quite independently of Ottawa, by the joint enterprise of officers of the Canadian High Commission and the Foundation for Canadian Studies in the U.K. (led by the then High Commissioner J. H. Warren and Lord Amory), with the enthusiastic collaboration of the University of Edinburgh, an endowment of £180,000 was secured to found the chair. One-third of this amount was provided by the Department of Education



External Affairs as soon as the balance had been obtained from Canadian and British corporate sources in Britain. The chair was formally inaugurated on October 21 last year by the Secretary of State for External Affairs in a trilingual address (in English, French and Gaelic). A speech was given on the same occasion by the first incumbent, Professor Ian Drummond of the University of Toronto.

Permanent endowments such as this are welcome, but are increasingly beyond reach. For example, if the Canadian Government were to fund a chair in a leading American university, it would cost about \$1 million. This would wipe out the rest of the Canadian Studies program for three years. As the program proves itself, private funding may increasingly fill this gap — if not necessarily in endowments, then in lump-sum support for particular programs over a set period.

The periodic use of Canadian academics abroad on sabbatical or research leave as guest lecturers or seminar discussants provides an invaluable and potentially broad base of support for Canadian studies. With the help of the Canada Council and by means of a canvass of Canadian universities, a roster of competent Canadian scholars willing to lecture is being assembled. It is also expected that a survey, conducted by the Social Science Research Council of Canada under contract with External Affairs, will provide a preliminary chart of the strengths, weaknesses and lacunae of Canada's academic links abroad — cross-referenced by discipline and country.

The Canadian Embassy in Washington has designed and is now implementing a faculty-enrichment program. On a competitive basis, American scholars will receive some financial support to pursue reading and research in Canada. In most cases, this will be with a view to preparing or expanding courses in Canadian disciplines. A related program of intensive group study was organized last summer by Professor Richard Preston of Duke University at the Royal Military College, Kingston, with financial assistance from the Donner Foundation. This program is being arranged again by Professor Preston for the summer of 1977 with financial help from External Affairs.

A prerequisite of any academic program is, of course, adequate library support. In many cases where a program is being considered, the library support is inadequate even for introductory programs. The university library will have some books on Canada in French and English, and may perhaps have benefited

from the Canada Council book-presentation program or from the Cultural Affairs Division's book-presentation programs. However, more often than not, these collections will not include suitable, up-to-date texts upon which a specific course or courses can be built. In those cases where an enterprising academic has found funding for Canadian book purchases, he or she will often run into a web of frustration made up of import controls, understandings between publishers not to trespass on certain frontiers, and the reluctance of many commercial booksellers to bother with small overseas orders. Some routes through and round this problem are being found. Nevertheless, and despite the rising cost of books, it is often essential that the Department of External Affairs contribute to the establishment of a well-selected library base. In the fiscal year 1975-76, the Academic Relations Division spent \$40,000 on book purchases. The greater part of these purchases were series that can be obtained economically and span most of the basic subjects of Canadian Studies. Seven series were bought: the Carleton Library Series, Canadian Centenary Series, New Canadian Library Series, Laurentian Library Series, Cahiers d'Histoire de l'Université Laval, Vie des Lettres québécoises, and Histoire et Sociologie de la Culture. In addition, and also on academic advice, larger quantities of two or three introductory texts covering ten Canadian Studies subjects were bought for selective distribution to institutions abroad.

A complementary program is the distribution of Canadian learned journals. Fifteen periodicals — three English, three French and nine bilingual — have been chosen with the assistance of the Canada



Atkinson Film-Arts

Council. A selection from among these journals has been made by the appropriate missions abroad for distribution to 216 institutions in 20 countries where an interest in Canadian Studies has been identified.

The book-purchase program is essentially for "seeding" and stimulating. The Public Affairs Bureau has neither the intention nor the capacity to sustain the bulk of book purchases on Canadian Studies. However, as a means of assisting the development of Canadian literary resources, the Academic Relations Division commissioned four bibliographies: an annotated bibliography in English covering ten disciplines of Canadian Studies, supervised by Dr. Davidson Dunton of the Institute of Canadian Studies, Carleton University; a similar annotated bibliography in French supervised by Professor Pierre Savard of le Centre de Recherche en Civilisation canadienne-française of the University of Ottawa; a survey of microform resources on Canadian Studies disciplines prepared by Professor John Moldenhauer of Guelph University; and a full list of series in the Canadian Studies field prepared by Joseph Jurkovic of the Academic Relations Division.

#### Different system

Quite a different system has been found for institutions with well-developed Canadian Studies programs. This is to invite the institution to order the books it requires up to a fixed amount. This procedure is followed for a number of universities in the United States, and for Edinburgh, London, Bordeaux and Paris. Additional follow-up library support is available through co-ordination with other Government presentation programs, the use of embassy libraries, and adoption of selective depository status with Statistics Canada, through which a wide variety of Government documents, including *Hansard*, is available.

For those countries where a developing network of Canadian Studies programs can be enriched and consolidated through regular internal communications, national associations and journals of Canadian Studies have been established. The initiative for associations and journals must come from within the academic community. However, once these bodies have coalesced, some financial support is provided by External Affairs. The Association for Canadian Studies in the United States (ACSUS) was established in 1971, and now has a membership of over 400. The ACSUS newsletter has evolved into a substantive learned journal, *American*

*Review of Canadian Studies*, and is published twice a year. The British Association of Canadian Studies (BACS) was established at a meeting at Leeds University in September 1975. An editorial committee has been formed with a view to publishing a BACS newsletter. The founding meeting of L'Association des Etudes canadiennes en France was held in Paris in May. This meeting was preceded by the first publication of *Etudes canadiennes/Canadian Studies* in December 1974.

#### Rapid growth

With fairly modest facilitative support, potential interest in Canadian disciplines has rapidly become a much more widespread and dynamic movement than most of us, either in Ottawa or in the field, had imagined possible. However, in a number of countries, including Britain, France, Germany, Italy, Australia and New Zealand, and, some of the disciplines of Canadian Studies predate the existence of an Ottawa-based support program. In the United States, the roots of Canadian Studies can be traced back to the Thirties but since the Sixties there has been consistent growth, arising in large part from the initiative of a relatively small number of academics and Canadian officials in the United States and from the shrewd and benevolent interest of the Donner Foundation. In Britain, while Canada has been studied in comparative, Imperial and Commonwealth contexts, credits courses focusing largely on Canadian subjects are, with few exceptions, very recent phenomena. In France an informed interest in Quebec was one of the objectives of the France-Quebec accord of 1967. A multidisciplinary interest in Canada as a whole was confined, until very recently, to the Centre des Etudes canadiennes at Bordeaux, founded in 1970. The University of Bordeaux and the Centre at Bordeaux played a key role in drawing French academic attention to Canadian Studies. In March of this year, a Canadian Studies colloquium at Bordeaux attracted representatives of 21 French universities.

Generally, it is over the past two years that unexpectedly rapid development has taken place. Of the many intersecting reasons, two stand out. First, and obviously, quality and substance enable the product to be sold. Secondly, there is now a self-confidence in Canadian creativity and scholarship that has to a large extent replaced the obsessive quest for national identity. These have given the program the timeliness and impetus without which it would never have emerged from the drawing-board.

*Bibliographies  
commissioned  
to assist  
development  
of resources*



# Spain plus Portugal equals a divided Iberian Peninsula

by Robert J. Jackson

Recently both Portugal and Spain have been moving to liberalize and increase public participation in their respective regimes. In Portugal the heady period of the flower revolution has given rise to a practicable democratic process. The election of General Antonio Ramalho Eanes to the Presidency, by a vote of 62 per cent, and his nomination of Mario Soares as Premier have reinforced the movement towards a "steady-state" democracy. However, although government institutions have stabilized, enormous difficulties remain involving the state of the economy and the fate of the "retornados" (roughly half a million Portuguese refugees from the African colonies). In Spain the same basic changes have been occurring but at a slower pace. The new King, Juan Carlos I, and his new Premier, Adolfo Suarez Gonzalez, have promised freedom for political parties this summer, a referendum on democracy during the fall of 1976 and general elections in 1977.

As in Portugal, the changes in Spain have been criticized as too slow by most reformers in Madrid and too fast by most conservatives, especially the reactionary "Bunker" of the military establishment. In an attempt to escape from this ideological trap, foreign commentators have tried to demonstrate or indicate implicitly the political interconnections and relations between the two Iberian states. This attempt to draw political parallels is fraught with errors of commission and omission since the two nations are not as similar as is often suggested in journalistic analyses. Even though the political organizations have been similar in the two countries for a half-century, the economic, military and foreign policies have not. And the sequence of events in Lisbon has altered circumstances in Madrid. Contemporary parallels, therefore, should be set in a historical setting and variables other than politics examined. Let us survey first the historical evolution of Iberia and then the current landscapes of the two states to isolate the similarities and differences.

The relations between Portuguese and Spanish politics have always been desultory. Sometimes events in one state have directly influenced the other, but on other occasions there have been no interconnections. The peninsula of Iberia derives its name from ancient inhabitants whom the Greeks called Iberians, probably after the Ebro (Iberus), the second-largest river on this European promontory. Spain and Portugal shared mutual historical experiences under the Romans, Visigoths and Moslems. While the Roman name Hispania ("Spain") was applied to the whole peninsula, it was not until the twelfth century that Portugal emerged as an independent monarchy under Alfonso Henriques, who promised an annual tribute to the church in return for the protection of the Holy See. The gradual development of this state was a consequence of Christian and Moslem warfare in the peninsula and the reconquest of the peninsula from Islam.

Spain, on the other hand, did not become a united country until at least the time of the fall of Granada in 1492, by which date the Christian kings had reconquered the territories that had been captured by the Moors in the eighth century. The two states of Portugal and Spain, however, did not always remain apart. In the sixteenth century (1581), Portugal and Spain were united and shared territories throughout the East Indies, Europe, the Mediterranean, Central and South America, Africa and South-

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east Asia. The separation of the two states occurred after the defeat of the Armada in 1588, with the secession of Portugal from Spain in 1640. Thus the seventeenth century witnessed a division of the land-mass of Iberia (about the size of France) that has continued until today. This division characterized not only the political development of the predominantly rural peninsula but also the domestic economies and the external policies of the two states.

The separate developmental paths have, nevertheless, seen similarities in the evolution of governments in the twentieth century – parallels that have misled some commentators wishing to predict future political arrangements in the two countries. It is incontestable that both countries were characterized by a period of republican rule followed by a period of authoritarian conservative government in the past half-century. In Portugal, the Estado Novo (New State) set up by Antonio de Oliveira Salazar in 1928 endured through a short period under Marcelo Caetano until the so-called revolution of 1974. The regime was conservative in that it based itself on the glorification of Portuguese history, on warm relations with the Roman Catholic Church and on the maintenance of a peasant society, and did not attempt to industrialize and modernize the economy. It was authoritarian because it prevented the development of a real democratic process; representation of the public in policy decisions was systematically denied, only one political party was legalized and the National Assembly was prevented from adopting a full role in lawmaking. It was also authoritarian in that central coercive forces were employed to prevent dissent. The PIDE (para-military police forces) was one of the most repressive organs of any European state.

### No drastic change

Whereas this authoritarian conservative regime was upset by a relatively bloodless *coup*, the Spanish regime has so far continued to endure and has not experienced a drastic change because of the death of General Franco. The beginnings of his regime were not so peaceful. With the military support of the Italians and the Germans, General Francisco Franco, known as El Caudillo, won the Spanish Civil War after 32 months of bitter and murderous fighting. Britain and other powers, which had until that date withheld recognition, were finally forced to capitulate and accept the regime. By the middle of 1939, Franco began to reconstruct war-torn Spain and to initiate

a political regime that was to exist half a century. Like Salazar, who aided him during the war, Franco organized a conservative authoritarian system. As in Portugal, the conservative element was characterized by the glorification of the past and by the role played by the church and other conservative forces in society. The authoritarianism was illustrated by the type of autocratic government. The *Cortes* (National Assembly) was empty of authority, elections were shamelessly managed, and political parties were outlawed. The National Movement was the only legalized political organization and paralleled the *Accão Nacional Popular* in the neighbouring state.

### Personal rule

At the pinnacle of both these regimes was personal rule, buttressed by a devoted military, was supreme. In the case of Portugal, Salazar administered the state much as a small businessman minds a store. He carefully scrutinized the bureaucracy for adherence to his authority, and when, after 40 years, the personal Salazar-Caetano rule ended, the country was paralyzed for months by the “flower of revolution”. In the case of Spain, Franco’s absolute personal authority and claim to be the only saviour of his people lasted 48 years. In both countries, the military were solidly behind the regime; neither leader could have survived without their support, and hence many authorities believe that both states could as validly be called military autocracies as authoritarian regimes.

Because of the similarities of governmental organizations and personal authority in Spain and Portugal, many writers have assumed that the Lisbon events of April 25, 1974, and the democratization process that followed in Portugal are bound to be repeated in Spain. I find this reasoning faulty, at least as a short-range prognosis of the future of the Spanish regime. Events in Lisbon are watched closely and with emotion in Madrid, but they are unlikely to be closely repeated. The economic, military, colonial and foreign policies of the two countries differed greatly, and these had more to do with the abrupt change in Lisbon than governmental style.

The two countries have held distinct positions on foreign policy since the division in the seventeenth century. When Spain was neutral in both World Wars, Portugal was on the side of the allies in the first and leaned towards the West in the second. Moreover, although Portugal



long been a staunch defender and a member of the North Atlantic Treaty Organization, Spain has never been acceptable as a partner, so that the influence of Western liberal democracies has been quite different in the two countries. The United States, of course, has maintained special arrangements with Spain. Presently, a five-year Treaty of Friendship and Co-operation allows the Americans to continue using naval bases at Ceuta (from which it must withdraw its *Poseidon*-class nuclear submarines by July 1979), Torrejon, Saragossa and Gran Canaria in return for \$1.2 billion in loans and credits. The relations between the two countries are, therefore, quite close, and the chances that Spain will join NATO in the near future are, according to Ambassador-at-large Robert McCloskey, "quite limited".

These bilateral relations are not enough to blunt the general thrust of the argument that Portugal and Spain have been influenced along different paths in foreign policy behaviour. The essential reason is that Spain did not hold significant overseas territories at the time of Franco's death. One of Spain's major difficulties in the period before the First World War was continual military disaster with rebellious Spanish Morocco, and it may have been just such a memory that prompted Juan Carlos I and his Government to get rid of the Spanish Sahara before an outright war erupted with Morocco or Algeria. This lack of colonies is clearly a significant difference between the two countries. Although both had armed forces that helped sustain the regime, only the Portuguese army was forced to fight a losing battle in overseas territories. While General Antonio de Oliveira may have been less prepared to release the colonies than were later military leaders (as evidenced in his book *Portugal and the Future*), it is nevertheless true that the nation was completely disillusioned with the wars. The costs were astronomical. Portugal endured 60,000 casualties in 13 years of guerilla war in Guinea, Angola and Mozambique, consumed approximately 50 per cent of the national budget in fighting these wars, and was obliged to force every young man in Portugal to serve four years military service in order to have enough troops. The captains of the revolution knew they had to destroy the authoritarian government of Caetano in order to obtain freedom for the overseas colonies.

The Spanish military, on the other hand, has had no major policy differences with the Government comparable to that

experienced in Portugal. While there is a democratic movement within the Spanish armed forces (supporters say it numbers between 600 and 1,500 sympathizers, which would make it larger than the 200 members of the equivalent Armed Forces Movement in Portugal, who made the revolution), it is fairly small compared to the army as a whole, which is approximately a third of a million men strong and has not shown any inclination to overthrow the monarchy. Moreover, and possibly more significant, the Spanish military, unlike the Portuguese, has not had any specifically military grievances. Whereas the toil of war overseas dispirited the Portuguese military, it was Decree Law 353/73 of July 1973 that threatened the prestige, salary and status of the regular officers who acted as the final trigger for the overthrow of the regime. In Spain, no equivalent excuse exists at present. As public servants say quite openly to foreigners in Madrid, "military officers here are outrageously well-paid". And all studies of *coups d'état* indicate that such internal military problems and grievances are a necessary condition for success.

### Differing economies

Even differences in military viewpoint should be seen against the economic differences in the two countries. The *per capita* income in Spain is approximately three times what it was in Portugal before the *coup* took place. Spain simply has never suffered the economic depression of its neighbour. The economic crisis in Portugal for the decade before the *coup* had encouraged approximately one out of every six Portuguese to emigrate. Since the *coup* no Portuguese Government has been able to decrease inflation, reduce the 20 percent unemployment rate, improve the chaotic state of labour relations or get industry and agriculture back into reasonable production. Ideological differences are great in Spain, and the division of society into right and left is basically as it was during the Civil War: the Communists, Socialists, Social Democrats and left Christian Democratic groups against the defenders of the status quo such as the *Falange*, National Movement, Monarchists and *Opus Dei*. Moreover, the regional hostility of the Basques and Catalonians has widened the cleavages. But division has not offset the widespread desire for economic stability. The belief that the society is basically "bourgeois" does appear to be correct. As one conservative senior public servant observed: "We are the most capitalist country in the world".

*Spanish military  
have lacked  
specific  
grievances*

*Evolution  
rather than  
revolution  
in Spain*

A senior foreign ambassador in Madrid confirmed that view like this: "This country is on the road to success; the driver has pulled away from the curbside and is out on the road heading towards a workable economic system in a changing democracy."

Thus I should argue that, unless there are surprising new developments, we could predict that Spain would continue to espouse evolution rather than revolution, as occurred in Portugal. While political violence has been substantial (in fact, the number of political deaths reported by the daily press in Spain has been greater there since Franco's death than in so-called revolutionary Portugal during the same period), a major upheaval is unlikely at the present time. The Portuguese revolution occurred first and, while the Portu-

guese example has given Spaniards hope for a freer, more democratic, less repressive form of society, the dissimilarities the way the Spanish view the role of the military, and especially the economy, make them extremely wary of following the Portuguese example. Spain may yet avoid the bullet of revolution but it probably will not do so until the economy has sunk to such a low state that military pressure and salary and grievances reach conditions reasonably similar to those found in Portugal before the *coup* of April 1974. At present most Spaniards view the Portuguese experience with mixed emotion — appreciation of the change to democracy and horror at the state of the economy and the disintegration of social institutions.

## *Iberia*

# In post-Salazar Portugal the people give the orders

By Gordon Cullingham

*Meticulously  
detailed  
schedules*

It had started at 25 minutes past midnight on April 25, 1974. A Lisbon radio station played a protest song, "The People Give The Orders In The City". That had been a signal, the signal that the overthrow of the 48-year-old fascist government was beginning. In a few hours it had been almost over. On carefully-planned and meticulously detailed schedules, officers and troops had moved in on key positions and simply seized control. Radio stations had been a prime target, and the first communique had been broadcast at 4:20 a.m.: "The armed forces this morning set going a series of operations intended to free the country from the regime that has for so long dominated it."

It had been almost too easy, as the facade that was all that was left of a

regime and a system that had lost popular support crumbled and collapsed in a fetid heap. By two in the afternoon Lisbon looked like a town on a festive holiday. People milled round, climbed tanks and generally made useless, the tanks that were there to fire in the cause of their liberation — or of their suppression. A little girl putting a red carnation in the muzzle of a rifle became the eloquent symbol of a new start for a denied and disadvantaged people.

The Caetano regime surrendered that afternoon. The secret police, because they would be the first to feel the wrath of a vengeful populace, were the last to surrender, which they did only after taking several lives, the only ones lost in the *coup*, as they fired at random into a crowd they feared.

Like all successful *coups*, it had been a military one, organized and led by the MFA, the Armed Forces Movement. At 1:30 on the following morning, April 26, the MFA's Junta of National Salvation appeared in person on the television even as one was still watching to proclaim that

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armed forces had undertaken to carry out policy that would “lead to a solution of the serious national problems and to the harmony, progress and social justice indispensable to the cleansing of public life”.

### Long development

Those “serious national problems” had been developing for centuries. Portugal is a nation of over eight million people, about the size of the Province of Ontario in population but one-twelfth its size in area. It has only two cities of any consequence, and the poorest and least-educated population in West and Central Europe. The presence of a rich and educated élite failed to conceal an illiteracy rate of one-in-three, and agricultural productivity and techniques at Third World levels. It was a nation of high unemployment and dismal wages, with a class structure that oppressed a people possessing few comforts and little to hope for. In fact, all the Portuguese had really had for centuries was pride – the pride that came from having discovered a world, the *hubris* that came from having colonized much of it. Salazar had developed that myth of empire into a mystique of Portuguese specialness that helped him to isolate and manipulate the populace from his very first days in power 15 years ago.

Professor Oliveira Salazar had been a conservative economist at the University of Coimbra when the Portuguese President General Carmona invited him in as Minister of Finance to save the collapsing economy in 1928. Salazar had been in effective charge from the start, but he did not claim the prime ministership until four years later; and he never did bother to become President. But his attitudes and views dominated and moulded Portuguese life for nearly 50 years. He launched the idea of the “New State”, based on the middle class, and opposed to parties and class struggle. He was inspired by what he called “Portuguese Integralism” and by Mussolini’s Fascism. In the early Thirties, Salazar began to introduce his “Corporate State”, which has remained a largely rhetorical system for representing the interests of, for example, all people engaged in farming. It was real enough, though, to prohibit strikes and replace free trade unions with government ones. Salazar named his movement “National Union”, and it was the only party allowed to exist. By 1930, his Colonial Act had rejected administrative decentralization in the overseas possessions, and the expression “Portuguese Colonial Empire” was introduced. The role of the colonies as the suppliers of cheap raw material, cheap

labour and a torrent of profits was now uncomplicated by purposes inspired by guilt and humanitarianism.

This Salazar formula of poverty-with-repression created a population of undemanding, stalwart, phlegmatic, dour and very proper citizens, without cynicism and without humour. The national colour of dress for both sexes was total black, and the favourite music was a kind of personal lament known as the *fado*. (One perspective, if ungenerous, English traveller in the 1930s recorded that: “The chief dissipation of the Lisbon male is the consumption, in his favourite café, of a nice glass of water while having his shoes shined.”) It is not the picture of an outgoing, dynamic population determined to make their government keep up with a progressing world.

### Changing world

That world outside Salazar’s closed system was changing, and the insulation could not be perfect. Since Portugal was an imperial, trading nation, some Portuguese did get about and see what was happening outside. This led to sporadic demands for political freedom and electoral alternatives, changes in development and colonial policy, and individual opportunity. But Salazar would not yield, would not quit, and would not die, so he was able to perpetuate his hollow shell-game until his stroke in 1968. He was carefully succeeded by Marcelo Caetano, a longtime associate, then in university life. Caetano had some liberal views and seemed to want to operate a more open Government. He called it, not immodestly, “renovation in a context of continuity”.

But by then resistance to change had become so ingrained and instinctive that it had become a characteristic rather than an objective. No skills existed to admit and control change, even after its necessity and inevitability had been accepted. These figures, from the early 1970s, revealed that necessity; in the previous decade the population had decreased by 180,000. Two-thirds of those who left the farm, thus reducing the rural population percentage from 40 to 29, did not go to the cities – they left Portugal. One million Portuguese went to France, 300,000 came to Canada. Their remittances equalled two-thirds of Portugal’s import receipts, or one-tenth of total incomes.

This pre-revolution scene was marked more and more by strikes and flareups, as resentment dissolved inhibition. The people were getting ready to express their pent-up aspirations, even in a ruthless and experienced police state. All they needed was a sure and powerful instrument. This

*Salazar  
would not yield,  
would not quit,  
would not die*



Wide World Photo

*At the June elections, General Antonio Ramalho Eanes was elected President by 61 per cent of the vote. During the campaign, Eanes forsook the dark glasses that had been his trademark in favour of a less sinister public image. He is shown here during his first press conference as President.*

could only be the armed forces, where, by a coincidence, a pay and status grievance among the junior officers had led to the establishment, late in 1973, of a group calling itself the Armed Forces Movement. From that narrow and shallow base the movement spread through all the branches of the armed forces, through many ranks, throughout Portugal and Africa; in ideology, it moved rapidly leftward to meet a Communist Party happy to welcome it.

### Fascinating revolution

The politicization of these young officers, and their continuing determination to keep the Portuguese Government on the road to "socialism", are the most intriguing and least-explained components in this fascinating revolution. Some of the answers lie outside the unhappy country they wanted to save. The colonial wars in Africa had been a traumatic experience for the bucolic subalterns whose early adult years had been dominated by an African, not a Portuguese, environment. They came to respect and learn from their African opponents. Many had been fraternizing as well as fighting, and developing intimate contacts. These officers learnt that instead of being the standard-bearers for a proud and envied empire they were the hapless tormentors of a people no better off than themselves, whose continued sub-

jugation made no sense. They learnt to about secret organizational structure about dedication and determination, even about "Practical Marxism" and the "Revolutionary Vanguard". They left Africa much less naive, and much more sensitive than they had arrived. Certainly a maturation for the *Lumpenintelligentsia* back home.

This experience, along with the presence of a very few genuine left-wing officers, accounted for the clandestine radicalization of the officer corps, and gave them, almost overnight, sufficient motivation to overthrow the Lisbon dictatorship and its whole system in the name of liberalism, socialism and pluralism.

The officers were aware that the military could not do the job of the politician and so politicians had to be involved in the revolutionary government right from the start. Balancing that was the determination not to let their revolution slip away into reaction or civil war — directions in which the feuding political parties might easily lead them; so they must retain substantial reserve powers for several years. In the meantime, the military would have to play a day-by-day part in the government process, and it was here that the wide range of political views frequently split the MFA.

### Overcompensation

Perhaps just because the overthrown regime had been a right-wing one, the victors overcompensated to the left. The Communist Party had emerged intact from its long years of disciplined underground existence, and it was immediately available to give advice and to grab power where it could (in municipalities, on big farms, in the press, and in willing bureaus wherever they existed). The other parties were slower to mobilize and, when they did, they were immediately and frequently in conflict with the officers.

The Communist Party steadfastly supported the MFA in all things. Consequently they gained a reputation as the most loyal defenders of the revolution. This reliability gave them a constant presence, both in the councils of state and in the endless debates and "bull sessions" that strengthened the officers' radical commitment. And so the MFA turned further to the left, a decent dividend to a heavy investor.

This process took place in a political spectrum in which the Communist Party stood somewhere near the middle. The opalescent left of some half-dozen parties got no votes, but they did get soldiers. Some of these groups, preaching "Direct Democracy" in the forces (every priva-

*Intriguing and unexplained components*



general) had so effectively immobilized the army by last November that the Government was unable to break a strikers' day-and-a-half siege of the Prime Minister's residence. To this radical left group, too, there were some fairly senior converts. One would have to include General Otelo Saraiva de Carvalho, a member of last year's ruling triumvirate, and a gay and popular posturer of the left, who seemed often bored by the stolid orthodoxies of the Communist Party. (Since then Carvalho has been removed from all offices, promoted to major, jailed, released — and, after all that, was a candidate for the presidency in the June election, in which he ran second. Where will he turn up next?)

### Drift resisted

This jerky but persistent leftward drift has noticed and resisted by President Spínola before he was toppled in September 1974 (and, more notoriously, afterwards by the United States and by NATO). It had been resisted also by the middle parties, most notably the Socialists, by many officers, and by those "Paleo-capitalists" who emerged after the revolution to see what they could pick up. Now the new President, General Antonio Ramalho Eanes, has completed the containment of the left. This leaves the Portuguese wondering: "Who will then contain the right?"

In the two-and-a-third years since the revolution Portugal has had seven governments, four Prime Ministers, three presidents, three elections (and, it is to be noted, a small fraction of the number of deaths that occur in Lebanon in one day of that national disputation). That is a lot of politics in a short time, but circumstances are unlikely to permit any let-up. Those circumstances recently have included: the dissolution of the Portuguese empire; the reception of some half-million *retornados*, destitute refugees from the colonies (primarily from Angola), mostly white; the reduction of the armed forces from 200,000 to about 30,000; the near disappearance of the tourist trade, of foreign investment, of emigrant remittances, and of foreign-exchange reserves; huge trade deficits; unemployment, by some estimates as high as 20 per cent; inflation at more than 25 per cent; and a perilous housing shortage.

The refugees account for the pressure on housing and employment, and for the first racial problems for European Portugal. These miserable homeless ones create all the social problems of a sudden, large, unwelcome and idle group in the heart of Lisbon, where they spill out of their government-provided, laundry-trimmed

luxury hotels every day into Rossio Square, there to curse the Government and to hate the leftists. This is the nastiest element in Portugal's present and future. The spawning of reactionary parties, of para-military police and "justice brigades", of street gangs and crime, give the promise of much future unpleasantness.

Short of an uprising, however, the political institutions should remain fixed for the next few years. Two elections in 1976 have returned a National Assembly and a directly-elected President. Neither election contained surprises. In the Assembly voting, the Socialist Party maintained its position as the most popular, with a slight decline to 35 per cent of the popular vote. The Popular Democrats (liberal) gained slightly, to 26 per cent. The Centre Democrats (conservative) doubled their percentage to 16 and replaced the Communists in third place. The Communist Party increased its percentage by two points, to 14.5, dropping to fourth position. Mario Soares, the Socialist leader, has refused to head a coalition, and has been allowed by the President to form a minority Government, which needs the support of only one of the other three major parties on any issue.

In the Presidential election in June, General Ramalho Eanes, former Army Chief of Staff, was supported by the three non-Communist parties and won an easy victory, with 62 per cent of the vote. Non-party candidates Major Carvalho and the stricken outgoing Premier, José Pinheiro de Azevedo, ran a poor second and third, with the Communist candidate Octavio Pato trailing in fourth place with only 7.5 per cent, half that party's share of the earlier Assembly vote.

### Return of discipline

President Eanes (The Enforcer?) has declared his determination to bring back discipline. That is an ominous promise if it means the breaking of heads and the recommissioning of the political prisons (which even now are said to hold between 1,000 and 2,000 persons — mostly losers from the old regime).

One is entitled to be more hopeful. President Eanes is a professional soldier of excellent reputation, and is unlikely to make himself the tool of the vengeful right or of the adventuring left. This should mean that those flirtations are over for the MFA too, giving Mario Soares and his Socialist minority Government a chance to treat the economic wounds, while the social ones wait to scab over on their own — perhaps to be picked another day.

*Two elections  
without  
surprises*

*New President  
has excellent  
reputation*

Canada  
can help  
with trade

Economic debility is by far Portugal's greatest agony. It is also the one that is most amenable to help from friendly outsiders. When the gifts and loans have provided their puny short-run palliation, most of the job remains to be done. It is here that a country like Canada can be helpful. There is trade; there are fish to be caught and wines to be bought. There is another specially Canadian way to help out a hard-pressed, overpopulated land. Portugal is paying today the price of having played the European game of

"empire" too hard, and of having failed to quit in time. We were all once part of that system, and perhaps we should just stand by and watch Portugal writhe because it writhes for us all. What about considering what many Portuguese have already suggested, and offering refuge to some of the *Retornados* who are bedeviling Portugal's reconstruction efforts, even though they may not be refugees in the technical sense? That would be a small gesture to a decent people who have suffered much.

## Iberia

# Difficult road to democracy for Spain after Franco

By J.-P. Thouez

General Franco dominated the life of Spain for more than 35 years, and the majority of Spaniards alive today have known no Spain but his. While some Spaniards still accept an authoritarian regime, others want a democratic system more closely resembling those in the European Community and the English-speaking world. It is the latter, ever-growing portion of the population that is likely to change the political structure of the country. In many parts of society, the signs of protest have become more and more obvious since the death of Carrero Blanco on December 20, 1973. Faced with this situation, the monarchy and the Government of Arias Navarro are trying to work out a new policy that would recognize the existence of the aspirations of the democratic forces. At present, these attempts at reform appear halting because they are still meeting with certain obstacles: the weight of Francoism in political life, the attitudes held by King Juan

Carlos and the political institutions, the division in the anti-Francoist forces as to the role of the regional movements. We shall analyse each of these to see if we can discern in them possible bases for a peaceful transition to democracy.

### Franco's legacy

Franco depended on a kind of charismatic legitimacy, which enabled him to employ a certain number of ideological images — Spain of the Crusades, of institutional continuity, of development. This mystical dimension attached to Franco by the Spanish bourgeoisie can also be seen in the office of head of state, in the formal constitution, in the application of laws and regulations, characterized as repressive, and in the desire to set up a monarchical, Catholic, and Communist, authoritarian and centralized Spain. By making use of force and neglecting the free consent of those he had conquered during the Civil War, Franco obtained a result that very clearly has won the unanimous support of the Spanish people. In effect, the democratic opposition (liberals, socialists, Christian Democrats, Basque nationalists, Catalan separatists, Carlists, Juanists and others) and members of the national conservative opposition have sought to obtain the abandonment of this "organic democracy" and the acceptance of reforms that, while large, could lead the regime gradually

Obstacles  
to attempts  
at reform

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towards a form of true democracy. Unfortunately, it seems that the political institutions established according to the Caudillo's preferences remain consistent with his own thinking. The institutions were conceived as concrete legal-political expressions of immobility. Thus it is contradictory to think that they could be transformed through evolution, and an insurmountable contradiction can be discerned in the plans of those who wish to see institutions of this type become the source of a political future different from the present as defined by these same institutions. Moreover, it appears that the elements favouring the self-democratization of the regime are absent, if one considers the personal histories of the members of the Navarro Government and the plans of that Government, which are limited to adapting and adjusting the institutional system to the demands of each new situation, or if one looks at the still-functioning judicial and institutional apparatus of the Franco regime, the anti-terrorist laws still in force and the laws concerning freedom of association, freedom of speech and so on. Thus the oligarchy, trying to maintain the authoritarian regime, has been confronted with an impasse. The only way out would be by means of change, but to change the system's structures would be to come up against enormous difficulties. There is no sector where the contradictions are more concrete or more profound. The recent events in Madrid, Pamplona and Barcelona point to the existence of a large gap between what the law permits and what the Government admits. A schism with respect to judicial and institutional legality exists between the attempts at repression and those aimed at tolerance.

#### Little evidence

There is little evidence at present of a situation favouring the transformation of Francoism into even a limited democracy. The election of the 41 presidents of the *députaciones provinciales* was conducted from closed lists; nearly all the civil governors were returned to office; the postal and railway employees were drafted; the National Council of the Movement is dominated by the Falangist leaders (later to become the Senate). A partial election for the Cortes was held, it is true, but its political effect was almost zero. Finally, the Carbonellas reform was put at the bottom of the list. In effect, the political pragmatism practised by the present Government has given the ultras and the conservatives time to strengthen their positions and alliances. At the same time, however, as the whole society evolves, the

regime can no longer shut itself off; nor can it continue its repressive methods or continue its national development policy of following in the wake of change, which Spain has been subject to since 1957, without exacerbating the situation in which the national communities that make up the Spanish state find themselves. The country thus is immobilized at a time when it must face up to serious economic problems.

#### Ranking tenth

Spain is a country of 35 million people, which ranks tenth among the industrial nations, first in tourism, sixth in naval construction and ninth in metal-processing industries. The *per capita* income is \$2,500, giving it first place among the countries of Mediterranean Europe. It has, however, been affected by the world economic crisis and, according to the opposition, has one million unemployed, or over 300,000 according to official figures. Inflation, reported at 25 per cent in 1975, the devaluation of the *peseta*, the export debt, which, despite substantial gold and currency reserves compared with its external trade reached record levels, are some signs of the current economic problem. In other words, Spain, with its relatively recent economic expansion, is still very sensitive to international circumstances. Its safety devices are much less effective than those of the large industrialized countries of the capitalist world.

The three cornerstones of the economic miracle — tourism, repatriation of funds by emigrants and foreign investments — have been affected by "stagflation" and are still sensitive to the uncertain political climate. Although political guarantees still appear to be able to attract foreign investors (for example, Ford to Valencia), social upheavals are increasingly frequent and violent. The repressive violence the regime has used in response to the claims of the nationalists and the demands for democratic freedoms has led inevitably to a political backlash, of which the armed conflict by the ETA in the Basque country, the violent campaign by FRAP and the terrorist methods of the "parallel police" and of uncontrolled individuals are the best-known manifestations.

This disorder is an indication of the political failure of the Caudillo and his successor. At present it can be seen that a large part of the conservative faction is beginning to demand greater independence from the regime. This is true of the "TACITO" group led by M. Oreja, José L. Alvarez and A. Ossorio, which includes members of the ACNP (National Catholic Association of Propagandists) but has a

*Cornerstones  
of economy  
affected by  
"stagflation"*

Democratic  
attitudes  
not unique  
in public service

tendency to differentiate itself from the other sectors of the ACNP. It applies also to the financial sector, centred in the large private banks and directly or indirectly controlling the entire financial life of the country and much of its industrial life as well. The phenomenon has been seen quite clearly since the resignation of Barrera de Irinio as the Minister of Finance. Admittedly, contacts already existed between the economic leaders and most of the parties and groups in the democratic opposition. It is also true of the judiciary, whose relative independence with regard to power was shown in its opposition to special jurisdictions responsible for political repression. Its democratic militancy expressed itself in the organization of a "democratic justice". This kind of attitude within the public service is not unique, as witnessed by the existence of "democratic juntas" in various sectors of the administration. The same can be said of the army, which is generally considered to be a pillar of the state. Although the available information on this institution is contradictory, the army does not seem to intend to play an active role as the Portuguese army did. In any case, until now it has refused to take on any repressive or police-type duties. Moreover, some resistance-minded groups, such as the Democratic Military Union, have begun to appear, as indicated by the recent arrests and the convictions that followed. In contrast to the paramilitary forces (the Civil Guard, for example), the army puts the emphasis on economic and social progress, reform and belonging to Europe.

The forces of the extreme right (the "Bunker") thus appear to be more and more isolated but at the same time more and more active and, when pointed to as a potential threat, serve the purpose of those who, under the guise of the gradual evolution of Francoism, are actually trying to maintain the status quo. It seems that their strength derives from the presence of the *guerilleros* (Guerillas of Christ the King) of S. Covisa, who have been particularly active in Madrid against the University and the press, from a small core of "blue generals" (the term comes from their participation in the "Blue Division" that fought with the Nazis against the Soviet troops), from the "brotherhood of sublieutenants" of the Civil War, the Falangists, the political police and the parallel police. Their position is expressed by *Alcazar* (an extreme-right Catholic daily), *Arriba* (the Falangist organ), *Pueblo* and *ABC* (monarchist). In addition, it can take on another, more insidious form, that of a crusade against Commu-

nism, and in this way it rallies a considerable part of the right and centre-right.

This situation is encouraged by Government pronouncements. According to Mr. Iribarne, First Vice-President and Minister of the Interior, the Communist Party will not be legally recognized. Doubts about this party's democratic sincerity (and similar doubts about other parties, especially those on the extreme left) will diminish the effect of the general elections. Mr. Navarro expects in March 1976. The preferred approach is to make certain gestures and to lean towards forms of reconciliation that make all forward-looking attempts appear more ambiguous. The return from exile of such "historic" figures as C. Sanchez Aborno and Madariaga, the appearance of new dailies such as *Avui* ("Today" in the Catalan language) and *El Pais*, the first since 1939 and the recent decree providing pensions to Republicans wounded in the Civil War are all examples of such gestures. Other actions, in contrast, show more clearly how small a margin for manoeuvring has been left to the opposition: the many arrests both the left and right, including those of A. Garcia-Trevijano (an adviser to I. Juan) and the economist Tamanes, the pressure exerted on newspapers such as *DoBlon Cambio 16*, and the virtual banishment of certain political figures such as Prince Hugues de Bourbon-Parma, leader of the Carlists.

## Reforms

As for reforms, such as that of the penal code, indications like the maintenance of the anti-terrorist law make it clear that the Navarro Government is following the rule of sanctions and executions. The same is true for constitutional reform dealing with democratic freedoms, institutional change and the decentralization of power. Such reforms appear to be in vain because they are too little and too late, though some observers see them as indicating a measure of progress. The themes of the present Government thus can be gleaned from the Spanish press: echo strangely those invoked by the Franco regime: unity, sovereignty, integrity of the country, and recently, on the occasion of the twentieth anniversary of the founding of *Cesedin* (the Centre for Advanced Studies in National Defence), family, region and country. This resistance to change can be seen in the recent appointment of men from *Opus Dei* — Lopez Bravo (chairman of the commission for basic legislation in the *Cortes*) and Lopez Rodo — as well as in the composition of



e of the Council of the Realm presided  
er by Torrecato Fernandez Miranda  
also President of the *Cortes*) and of the  
tional Council of the Movement.

One can, of course, wonder how José  
de Areilza, Minister of Foreign Affairs  
d acknowledged leader of the reformists  
the Government, can, without the inter-  
ntion of the King, persuade the right  
ng to accept as necessary reforms that  
e democratic opposition considers to be  
re starting-points. This opposition con-  
siders the revision of the penal code and  
e new law on political associations and  
il rights as the necessary preliminary  
ages before the legislative elections,  
ain's first since 1936. In general, the  
sence of democracy cannot be waived.  
fferent ways and means may be found of  
etting it into practice, but the exercise of  
il rights cannot be negated out of hand.

### Complex opposition

In this respect, it can be seen that analysis  
the opposition in Spanish politics is a  
ry complex task. Some groups or parties  
el that the structure of the regime and  
e office of the head of state should be put  
a referendum. Others feel that it is too  
rly for self-democratization or debate on  
e future of the institutions at a time  
en most of the people have little polit-  
al awareness. For some of the opposition,  
the monarchy is not legitimate; Juan  
arlos's only claim to legitimacy comes  
om Franco. For others the monarchy as  
symbol of unity may fill the role of  
bitrator. The basic difficulty lies in  
chieving a general agreement among op-  
osition forces separated not only by  
political and historical differences but also  
y very divergent — even opposing —  
onomic interests, which come together  
ly out of the need to create a structure  
r political democracy capable of bringing  
end to the dictatorship.

The Democratic Junta (JD), created  
July 1974, represents the coalition  
ovement in the opposition forces. Its  
tivity has grown not only at the national  
vel but also at the grass-roots, in the  
vinces and towns. Its purpose is to  
sure political transition by peaceful  
eans, but it rejects any compromise with  
e present regime. It represents a total  
reak with the dictatorship and a rejec-  
on of paternalism. Only the Spanish  
eople, through universal free suffrage, can  
e the creators of the new democratic  
olitical structures. This coalition brings  
gether the forces of the left and the  
entre, and some from the right. Once in  
ower, the JD would hope to guide the  
untry for a one-year period, while a new

constitution was prepared by an assembly  
elected by universal suffrage following the  
restoration of unrestricted political free-  
dom. This is not an easy task, since a num-  
ber of the partners to the agreement are  
suspicious of the Communist Party. They  
include the PSOE (Spanish Workers So-  
cialist Party) and some Christian Dem-  
ocrat leaders. Consequently, the agreement  
between constituent forces of the JD re-  
mains fragile. This is also the case in  
provinces where the Junta's position is  
seen as too centralist and where other  
possibilities exist for forming alliances —  
for example, the Assembly of Catalonia.

Nevertheless, the growth of the JD's  
activities constitutes an important event  
in the political evolution of Spain. It has  
the support of liberal monarchists, includ-  
ing Rafael Calvo Serer, of the Popular  
Democratic Party of G. Robles (Christian  
Democrat), and of the democratic left led  
by Ruiz Gimenez, to the great disappoint-  
ment of the Catholic daily *Ya*, which sup-  
ports the Spanish Social Democratic Union  
of F. Silva Muñoz. It is difficult to analyse  
the structure and strength of the opposi-  
tion, partly because of the formidable num-  
ber of groups and parties (the magazine  
*Informaciones* lists 23 acronyms for the  
socialist parties and organizations and  
more than double that number for those  
of the Christian Democrat type) and the  
non-existence of democratic elections.

One can refer to the objectives de-  
scribed in the platform of the democratic  
coalition, which, in addition to the proce-  
dure outlined for establishing a democratic  
system, includes the following points: a  
general amnesty (return of political ex-  
iles), recognition of political and labour-  
union rights, legalizing of political parties,  
support of a pluralist system, and reinsta-  
tment of human rights and of the free-  
doms of speech, press and assembly. For  
the Republican government-in-exile, the  
declaration of July 20, 1974, left no ques-  
tion that the installation of a provisional  
government, a true government of recon-  
ciliation, could lead only to the creation of  
republican institutions. Such a govern-  
ment, as described by A. Machado in 1938  
in *La Vangevardia*, would be capable of  
establishing moral unity, the bonds of  
brotherhood and renewed confidence. Cer-  
tainly, it would be dangerous to struggle  
for democracy, and win it, under the illu-  
sion that its mere existence would solve  
all problems. Democracy is not a magical  
power; it requires organization, security  
and order.

The fact remains that the desire for  
democracy, as seen today in the formation  
of democratic juntas, must become reality,

*Objectives  
of coalition  
platform*

as R. Chao pointed out in his book *Après Franco, l'Espagne*, published in Paris in 1975. While the integration of the anti-Franco political organizations develops from discussions between leaders, the establishment of relations at lower levels is still largely a function of demands by such national minorities as the Basque (*Euzkadi*), Catalan, Galician, Andalusian, Canarian and Valencian peoples.

### Catalonia

This discussion will concentrate on the first two minorities, which are considered to be the most important. Here, too, it is difficult to evaluate the political parties and groups; the same is true of the labour organizations. Nonetheless, it cannot be denied that the recent events in Vitoria, Madrid, Pamplona and Barcelona reveal a body of facts that claim our attention. In the first place, certain of the demands are of a decidedly social nature; this is true of the unrest in the Asturias, Andalusia and Galicia, which turned into a confrontation with the local employers concerning improved working conditions and salaries. Other demands, as in Vitoria, when they were met with brutal repression, found expression in vigorous protest against the local authorities, who had been appointed by the central Government.

Finally, certain events have spotlighted the national resistance, including these examples from Catalonia: in December 1970, the 300 Catalan intellectuals meeting in the monastery of Montserrat were arrested; in October 1973, it was the turn of 113 persons assembled in the church of Santa Maria de Medianera; in September 1974, 77 people were accused of having met in the convent of Escolapras de Sabadell in suburban Barcelona to discuss the recent announcement of the Democratic Junta. Finally, in October 1974, more than 3,000 people demonstrating their support for the Assembly of Catalonia (AC), founded in 1971, were dispersed by the police.

It should be noted that the main goal of the AC is the establishment of the Catalan nation with its own government. Thus, if at first sight the program of the AC resembles the 12 points of the JD, the fundamental difference is found in one section that reads as follows: "The recognition, within the unity of the Spanish state, of the political personality of the Catalan, Basque and Galician peoples and of all other democratically-constituted regional communities." Between the self-determination proposed by the AC and the JD's recognition of the political personality of a people, there is certainly room to

manoeuvre and find a common strategy. Their publication *Els partits polítics a la Catalunya d'avui* (*Political Parties in Catalonia Today*) shows that the AC, in contrast to the JD, draws support from sectors of the opposition. Moreover, political parties with roots in Catalonia have formed the *Comissió coordinada de forces polítiques de Catalunya* (CCFPC), which works with the AC but is open to all political variants, whatever the size of group they represent.

Let us note that most of these anti-Franco groups possess a regional component within the AC and a national component within the JD. At the regional level, the concern is for operations, coordination, and leadership; at the national level, for the transmission through a liaison committee of demands from the lower levels. In a September 1974 communiqué the PSOE (Spanish Workers Social Party) described the JD as an imperfect version of the CCFPC; in other words, it lacked the general representative quality of the AC. Not all parties belong to the AC, however; among those not belonging is the *Convergència sociodemocrata* led by J. Raventos, which combines the Trotskyites of the POUM and the anarchists of the CNT, although there are plans to join eventually. These differences between the JD and the AC ought not to obscure the fact that the national minorities are opposed, often vigorously, to the dominant cultural and political system.

In Catalonia, history is everywhere whether one considers the 1812-23 *mancomunitat* formula inspired by Praltés la Riba, the founder of the *Lliga regionalista* (made up of the four provinces of Barcelona, Gerona, Lérida and Tarragona), or the 1932 statute of autonomy and the autonomous government of the *generalidad* from 1931 to 1939. This was a backward step in status, since the central Government, whether republican, fascist or monarchist, has never been able to settle the problem of the national minorities in a coherent manner. Culture, language, costume, the customs — history pervades them all. Catalans have not forgotten the Caudillo's Government for the events of the war, and Barcelona remains the great rival of Madrid. Management engages in modern-style discussions with workers, who are well-organized and combative. The economy appears to be strong. Intellectuals and academics are thoroughly involved in the democratic process. Within the context of the Spanish state the Catalan bourgeoisie is left, liberal and European. As for the middle and lower classes, the *vecinos* (neighbourhood associations)

*Repression  
of demands  
has led to  
protest*





Europa Press Photo

*preparation for his own demise, General Franco groomed Prince Juan Carlos as his successor, thereby opening the way for a return of a monarchical system of government Spain after 35 years as a republic. Juan Carlos is pictured here during one of his many public appearances with General Franco during that grooming process.*

tions — 120 in Barcelona, for example) have already confirmed their experience with direct democracy. Finally, the Catholic hierarchy, led by the Archbishop of Barcelona, has clearly given its support to the post-conciliar bishops.

### **ideological weapon**

In short, "Catalanism" remains a considerable ideological weapon within the regime. In 1966 this was shown in the formation of a group of Catalan deputies in the *Cortes*. Moreover, it affects the anti-Franco groups: the PSUC has split from the Spanish Communist Party (PCE), though its leader, G. L. Raimundo, is

close to Carrillo's group. The PTE (Spanish Labour Party), which was itself born of the 1967 schism with the PSUC, the Spanish Marxist-Leninists, the Spanish Communist organization (OCE) and *Bandeja* (the Red Flag) have felt obliged to make a choice and nearly all have a Catalan base. Outside the parties of the extreme left and the Communist left, the goal is clear, to such a degree that for some time the other groups refused to participate in the JD, citing the ambiguity of its position on the national minorities. This was the case of the Democratic Left of Catalonia, led by Fargas, which is recognized by European liberals and recom-

mends the application of the 1932 statute of autonomy. Other groups advocate a new definition of this statute to provide for total independence. It is true that Catalonia is still Spain's richest province, providing 25 per cent of the national revenue and drawing only 8 per cent of the proceeds. The Central Government is aware of this problem. Recently (February 1976), in a speech delivered in Catalan, the King recognized the existence of the Catalan, Basque and Galician minorities. This was a gesture that may show some of the disintegration of the Franco state.

This national problem cannot mask the social problem, the political growth of these minorities. It will depend partly on the force of the demands made in the working-class suburbs of Barcelona (Tarrasa, Sabadell, Badolona, Llogregat, Cornellà and Baux), where the strike committees are active and where the workers' committees are still 90 percent dominated by the Communists. The promised reforms, such as the creation of a commission to study a specific administrative system for the four provinces, seem insignificant in comparison to the demands. Others, such as those relating to the recognition of the Catalan language and its teaching, leave the Catalans dissatisfied.

### Basque antagonism

In the Basque country (*Euzkadi*) the situation is different. A long tradition of antagonism exists between the nationalists of ETA and the Spanish left-wing groups. But the differences are concealed by the repression that is applied indiscriminately. The strike of December 1974 and the events in Vitoria, Bilbao and Pamplona in 1976 are examples. The activities are isolated but lack co-ordination. Of course, the working class is a recent phenomenon in this area. The extreme-left groups, the PSOE (Spanish Workers' Socialist Party), the STV (Solidarity of Basque Labour), the ORT (Revolutionary Workers' Organization, with Maoist leanings) surprised the Communists as much by their presence (they monopolize some workers' committees) as by the violent street activities in which they engage. It is unlikely that these groups would form a regional junta. Moreover, the nationalist parties such as ETAV and the Basque Nationalist Party (PNB) do not intend to join forces with the JD unless the JD guarantees self-determination for the national minorities. For the other regional and national minorities — the creation of regional juntas is already a reality in *Euzkadi* — the problem of political maturity still remains. Behind

anti-Franco activity lies a coherent policy of co-ordination and representation.

One can thus agree with J. Savatier, author of *L'Espoir demeure* (*Hope Still Exists*), published in Lyons in 1975, that the country has set out on a difficult and irreversible journey. Among the partisans of revolution (FRAP or other organizations) and those that merely advocate reform, the consensus is for the liquidation of the fascist system and the proclamation of democratic freedoms. In the immediate future is a struggle for freedom involving ever-growing numbers of the Spanish people. This trend to pluralism suggests that all groups have a right to exist in virtue of the principle that all ideas can be tolerated even though one does not share them. In this sense, the United States warning about Communist participation in the Government (the same has been applied to Italy and France as well) is harmful because it strikes at the pride of the peoples involved and can only aggravate the political chaos in these countries.

It is true that the American interests are still substantial, as shown by the terms for the renewal of American involvement and that Spain has a key position at the Western entry to the Mediterranean, which may lead eventually to its joining NATO. In the face of such a situation, it seems more pragmatic for Spain to consider the possibility of eventually joining the EEC as completely natural for geographical, historical and cultural reasons. This will not be possible unless the institutions and principles are acceptable under the Treaty of Rome. On March 12, 1976, the JD participated as an observer at the plenary session of the European Parliament in Strasbourg; in this way it represented the democratic side of Spain.

The transition towards democracy has thus begun; it can be neither slowed nor stopped — the resulting political and social crisis would be immeasurable. This transition presupposes a thorough change of the system. The question then arises whether the Government has any desire for such a change. If the response is negative, it would be up to the King to form a Government of national reconciliation for a transitional period. Such a Government would have to take the demands of the national minorities into account. Whatever the future may bring, the evolution now under way marks a new era in the political life of Spain. The survival of Francoism appears increasingly anachronistic, especially in view of the elimination of Salazarism in Portugal.



# Chairman Mao Tse-tung: He knew the peasants

by Chester Ronning

The people of China deeply mourn the loss of their death of their highly-respected teacher, liberator and Chairman, Mao Tse-tung. They do not, however, mourn in despair. They have themselves participated enthusiastically in the prodigious efforts required to create a new China. They mourn, therefore, in gratitude to and praise for the first philosopher in the history of China who not only understood them but trusted them despite their illiteracy. The people give Mao Tse-tung the credit for laying the dynamic, ideological basis upon which an entirely new China is being built. They are naturally proud of their own participation in these achievements but they are always conscious that it was the Chairman who inspired them by his faith in them. They admit that China has merely achieved a good beginning and they are determined to work for a still brighter future.

For the people of China, Mao's type of socialism is providing an infinitely better life than the poverty, misery, disease, filth, hunger and starvation which characterized the life of the poor before the People's Republic of China was established in 1949. They are, therefore, determined to continue the revolution to modernize China.

The people of China know that no one will be found able to fill the shoes left vacant by Mao Tse-tung. That, however, will be neither necessary nor tragic. Mao's work has been done too well, and in some respects has been completed. That does not mean that the revolutionary changes have also been completed. Mao has completed only the work necessary for the good beginning. He has, however, given the impetus for others to continue along the same lines. There will be changes. The Chinese are intelligent and will undoubtedly continue the revolution, adapting it to changing conditions in new developments.

Mao Tse-tung witnessed the tremendous release of energy which is today characteristic of China's youth, new peasants, new workers and new intellectuals. The new citizens of China — Han, Mongol, Moslem, Tibetan, Uighur, Miao,



MAO TSE-TUNG

Yao and all other minority groups — are now united as citizens of one country and are determined to remain united. Measured in terms of the number of human beings involved (one-quarter of the human race) and in terms of the length of time involved (a quarter of a century), Mao Tse-tung will go down in the history of mankind as the greatest revolutionary leader of all time.

In the West, it took two and a half centuries to move from feudalism through the Renaissance and the Industrial Revolution to the modernization of today. The Chinese people have been catapulted in two and a half decades from an ancient, corrupt and hopelessly decadent feudal society to a relatively high standard in every aspect of an infinitely better life. China, of course, benefited from the experience of the West by adopting some of

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the beneficial aspects of Western development and avoiding some of the detrimental aspects of Western life. Many aspects of the new ideological basis of modern China developed by Mao Tse-tung were precipitated by Western thought with Mao's modifications to adapt it to the different situation existing in China.

### Not a magician

How could Mao Tse-tung accomplish so much so quickly? In the first place, he was not a magician. He did not accomplish it by magic. Also, he could never have achieved so much so quickly had he not been assisted by a host of colleagues including, especially, Chou En-lai. Nor could he have brought about the vast changes which have taken place in all parts of the enormous area of China if it had not been for the enthusiastic co-operation of the people of China — the peasants, and the new intellectuals — and the unbounded energy of the young people.

Mao Tse-tung, nevertheless, deserves the credit for laying the foundation for a new socialist China and for working out a policy especially adapted to the needs of the people and which, therefore, captured the imagination of the masses who participated willingly and enthusiastically in the arduous labour involved. They also shared in reaching decisions regarding immediate objectives and the ways and means of attaining desired results. That was the secret of Mao's successes.

Some Western observers conclude that the astounding achievements in China are possible only under the despotic rule of a totalitarian dictatorship. *Ipso facto*, China is a totalitarian dictatorship and Mao is the ruthless, despotic ruler. How completely and utterly wrong they are.

I wish they could speak Chinese — with a Hsiangyang accent, of course — and visit a commune near my birthplace to attend a meeting of the young people of a production team. They would soon learn how young peasants are excited about their new tractors, plows, discs and harrows, and their new bulldozer, and even their mini-tractors, but especially their personal bicycles. I wish that people who think Mao was a dictator could listen to these literate and educated young enthusiasts discuss the pros and cons of the latest methods of seed-selection, the trips they have made to distant parts of China, football (soccer) and ping-pong.

People who condemn Mao as a dictator do not know that educational campaigns precede the introduction of all

important changes affecting the social structure of China and that changes are carried out only after approval. Mao accepted Lenin's theory of "democratic centralism". He differed, however, with Lenin's concept that "centralism" was a more important aspect of the combination. Mao, who had complete faith in Chinese peasants, stressed that for China it was most important that the "democratic" aspect of a strong government be given greater weight. He, therefore, insisted that all Party cadres must not only encourage peasants to express their opinions but be directed by those opinions. Cadres are required to use their hands to participate in actual manual labour together with the peasants in order fully to understand their attitudes. The tendencies of cadres to drift back into the habits of old Chinese bureaucrats, with long fingernails to show how they despise work, have been effectively stopped by the great proletarian cultural revolution.

That is what the May Seven Schools, initiated by Mao, were all about. Every foreign service officer, public executive, Party cadre and administrator, city or rural, attended these schools for short or lengthy terms. Mao wanted no return from another élite who never engaged in hard labour and therefore did not understand the basic peasants and workers of China.

### Trial and error

Was Mao without fault? Did he never make mistakes? The honest reply, of course, is that in introducing new revolutionary changes errors are bound to take place. Mao Tse-tung and his colleagues used the trial and error method in trying out innovations and errors did occur — some of them serious. The redeeming feature of the trial-and-error method is that errors are anticipated and, therefore, are more easily corrected. If the desired objective proved to be unattainable, the venture was either postponed for a more propitious time or abandoned.

Mao Tse-tung has been falsely accused of wholesale, ruthless, mass executions, especially of landlords, when land was distributed to the peasants. The fact is that in many parts of China landlords were treated with relative benevolence. For example, when land was distributed in the area where I was born, the landlords were allowed to keep exactly the same amount of land as each of their tenants. The acreage received depended in each case on the size of the family. I know that some landlords with whom I had been previously acquainted requested their sons to return home to increase the acreage.



otted to the father's family. It is also  
e that in some areas vicious landlords  
d committed gross crimes — beating a  
asant to death as an example to prevent  
iness. In the past such landlords were  
t held responsible and went unpunished.  
ter liberation they suffered vicious re-  
iation and were executed by the thou-  
nds after trial in people's courts. The  
mbers executed, however, have been  
ssly exaggerated.

Mao was severely criticized by foreign  
servers for the "Great Leap Forward"  
d the "Great Proletarian Cultural Rev-  
ution". Both of them had some bad  
ects in cities. In the rural areas, on the  
er hand, they caused no serious disturb-  
ces and, in the long run, both have had  
neficial results. The Great Leap did raise  
ricultural production and the Cultural  
volution stopped the tendency of cadres  
fall into the trap of becoming mandarins.

### Communes

ne of the many secrets of success of Mao  
e-tung and Chou En-lai was the new  
mmune to replace the small individual  
rms which made mechanization impos-  
sible. The peasants accepted the proposal  
th enthusiasm because it retained some  
the good aspects of the patriarchal  
nily while promising better yields and  
s back-breaking work. The members of  
old patriarchal family became the new  
roduction team" — the basic unit of the  
w system. They brought with them their  
rmer interdependence, co-operation and  
ility to work together in harmony. All  
the production teams in the area around  
e village became the new "production  
igade". It retained for co-operative use  
e old threshing floor, flails, rolling-stones  
d all the equipment for co-operative  
reshing. All of the production brigades  
a country became the new "commune".  
l of the communes in a province co-oper-  
ed with each other through the provin-  
al authorities, and through them pro-  
uced national co-operation.

It is not strange that the "commune"  
ea was welcomed by the peasants. In a  
mmune near my birthplace, I counted  
ur large tractors and eight medium trac-  
rs plowing, disking and harrowing in two  
rge fields which a giant bulldozer had  
velled. The bulldozer was busy levelling  
third field. There were a score of two-  
heeled mini-tractors called "to' la chi"  
(carry-and-pull machine). That is exactly  
hat they were doing as they flitted back

and forth all over the place doing the  
back-breaking work of former days. The  
target date for complete mechanization of  
farming in China is 1980. That objective  
will most likely be realized.

Mechanization, irrigation, fertilizers,  
drainage and scientific development of  
improved seed have enabled the peasants  
to produce more than sufficient food for  
China's 800,000,000 people and they are  
able to export food to other parts of Asia  
and some to Africa. The standard of living  
of the masses, especially with respect to  
food and clothing, has been raised to levels  
so high there is no longer any comparison  
with the old days when millions perished  
every year from cold and starvation. The  
quality and quantity of food available to  
the masses today are better and greater  
than that which privileged classes enjoyed  
before 1949.

Clothing is also available to all in  
infinitely greater quantity, quality and  
variety than before. Housing, however,  
although better, is by no means adequate  
in outlying districts and in a few still over-  
crowded and congested cities.

### Literacy

Food, clothing and shelter, no matter how  
great in abundance or good in quality, did  
not raise the peasants to the level of the  
scholar class. One of the secrets of Mao's  
success, and in many ways the most impor-  
tant, was his concern that peasants be  
given opportunities to become literate and  
educated. That would not only enable  
them to become informed of what was  
happening around the world but elevate  
them to equality with the educated élite.  
Literacy fosters liberty. Without it, a  
human being accepts inferiority. Classes  
for adults were organized immediately  
after liberation. All kinds of educational  
institutions, from the kindergarten to the  
university, were provided throughout  
China. The result is that today people of  
30 years and under are 100 percent literate.

All of the secrets of Mao's successes  
in changing China were dependent on the  
basic principle of first changing the en-  
vironment to make it conducive to better  
social behaviour. The first task, therefore,  
was the necessary provision of a sufficient  
quantity and quality of food, clothing and  
shelter. Only after that could, education,  
democratic participation, the energy of  
youth and all other secrets of success  
change the behaviour patterns and social  
consciousness that are rapidly modernizing  
and developing a new social order in China.

## PM in Cuba...

Sir,

I read with interest George Radwanski's article on Trudeau's visit to Cuba. (*International Perspectives*, May/June 1976)

In his defence of the PM's visit, the author makes the point that past experience with countries like Cuba, South Africa and Rhodesia has shown that treating nations as international outlaws neither topples their governments nor modifies this behaviour.

If this is the attitude we are to take, then it should be applied equally to all countries, regardless of whether we fully agree with their policies or not.

Unfortunately, our Government has double standards, because it is treating Rhodesia (and, to a lesser degree, South Africa) as an international outlaw. Rhodesians have recently been denied entry visas to Canada, while at the same time Cuban trainees travel in this country at CIDA's (i.e. our) expense.

Such exaggerated expression of friendship to a country generally hostile toward Western democracies and simultaneous self-righteous condemnation of others I personally find bewildering.

S. Freyman

## Hail and farewell

The Cabinet shuffle announced by Prime Minister Trudeau on September 14, 1976, brought a change of ministers to the Department of External Affairs. The Honourable Allan J. MacEachen has been replaced by the Honourable Don Jamieson. Mr. Jamieson comes to External Affairs from the Department of Industry, Trade and Commerce. He has been a Member of Parliament since September 1966, when he was elected in a by-election in the Burin-Burgeo constituency of his native Newfoundland, and he has been returned in the three general elections since. Mr. Jamieson has also held the Cabinet portfolios of Supply and Services, Transport and Regional Economic Expansion. He came to Ottawa with a considerable reputation

in the broadcasting industry, including four years as President of the Canadian Association of Broadcasters. He is the author of *The Troubled Air*.

In leaving External Affairs, Mr. MacEachen is returning to his former portfolio as President of the Privy Council, where his main responsibility will once again be in the role of House Leader of the House of Commons. With the exception of the years 1958 to 1962, Mr. MacEachen has been a Member of Parliament since 1953. He has served continually in the Cabinet since he was appointed Minister of Labour in 1963 by the then Prime Minister Lester B. Pearson.

To Mr. Jamieson we bid "Hail" and to Mr. MacEachen "Farewell".



# Reference Section

## Canadian Foreign Policy

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## Publications of the Department of External Affairs

Under this heading will be found a list of the most recent documents published by the Department of External Affairs on international affairs and Canadian foreign policy.

*Press Releases*, issued by the Departmental Press Officer, Department of External Affairs, Ottawa:

No. 69 (July 2, 1976) Visit to Canada in September by Israeli Foreign Minister Yigal Allon.

No. 70 (July 6, 1976) Framework Agreement for Commercial and Economic Co-operation between Canada and the European Communities — joint communiqué.

No. 71 (July 7, 1976) Canadian delegation to the seventh session of the Conference of Ministers of Youth and Sports from French-speaking States, Paris, July 8 to 13, 1976.

No. 72 (July 13, 1976) Canada/United States meeting on the East Poplar River thermal generation project, Washington, July 12, 1976 — joint communiqué.

No. 73 (July 21, 1976) Canadian response to the IJC's Third Annual Report on Water Quality in the Great Lakes.

No. 74 (July 28, 1976) Convention between Canada and Belgium for the Avoidance of Double Taxation and the Settlement of Other Matters with Respect to Taxes on Income.

No. 75 (July 27, 1976) Alexander C. McEwen sworn in as International Boundary Commissioner for Canada.

No. 76 (July 27, 1976) Meeting with Dr. Manuel Perez-Guerrero.

- No. 77 (July 27, 1976) Convention between Canada and Israel for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income and on Capital.
- No. 78 (July 28, 1976) Visit of the Secretary of State for External Affairs to the Pacific Region.
- No. 79 (July 29, 1976) Signing in Brussels on July 26, 1976, by Canada and the member states of the European Coal and Steel Community of a protocol concerning commercial and economic co-operation between Canada and the European Communities.
- No. 80 (July 29, 1976) Signature of Canada-Portugal fisheries agreement.
- No. 81 (August 2, 1976) Canadian delegation to the fifth session of the Law of the Sea Conference, New York, August 2 — September 17, 1976.
- No. 82 (August 6, 1976) "Group of Seven" exhibition tours Britain and the Soviet Union.
- No. 83 (August 10, 1976) Visit of the Secretary of State for External Affairs to Washington, August 17 and 18.
- No. 84 (August 13, 1976) George Elliott appointed Minister-Counsellor (Public Affairs) in Washington.
- No. 85 (August 17, 1976) Report of the Organization for Economic Co-operation and Development on educational policies in Canada.
- No. 86 (August 16, 1976) Joint communiqué on Garrison Diversion Unit.
- No. 87 (August 23, 1976) Supplementary contribution by Canada to the United Nations Relief and Works Agency for the Palestine Refugees in the Near East (UNRWA).
- No. 88 (August 30, 1976) Opening of Dr. Henry Norman Bethune Memorial House, Gravenhurst, Ontario, August 30, 1976.
- No. 89 (August 30, 1976) Canada-China cultural exchange.
- No. 90 (August 31, 1976) Diplomatic appointments: Kenneth C. Brown, Ambassador to Sweden; Pierre Charpentier, Ambassador to Algeria; P. Stewart Cooper, High Commissioner to Sri Lanka; C. F. W. Hooper, High Commissioner to Jamaica; Marion Macpherson, Consul-General in Boston; H. Morton Maddick, Ambassador to Poland; Victor C. Moore, High Commissioner to Zambia; Joseph Elmo Thibault, Ambassador to Romania.
- No. 91 (September 3, 1976) Canada-U.S.A. fisheries negotiations, September 1-3, 1976 — joint communiqué.
- No. 92 (September 10, 1976) Visit to Halifax by the members of the North Atlantic Council.
- No. 93 (September 13, 1976) Visit of Deputy Prime Minister and Foreign Minister Yigal Allon of Israel.
- No. 94 (September 15, 1976) Study tour of Canada for young executives from Britain, September 14 — October 9, 1976.
- No. 95 (September 17, 1976) Visit of Commissioner R. J. A. Felli, Minister for Foreign Affairs of Ghana.
- No. 96 (September 20, 1976) Opening ceremonies of the "Route de l'Unité et l'Amitié canadienne", Niamey, Niger, September 20-22, 1976.
- No. 97 (September 20, 1976) European tour of Le Théâtre du Rideau Vert in Sagouine.
- No. 98 (September 21, 1976) Canadian (Professor Walter S. Tarnopolsky) elected to United Nations Human Rights Committee.
- Statements and Speeches*, published by the Information Services Division of the Department of External Affairs, Ottawa.
- No. 76/17 Canada and Germany — Partner in the Search for a Stable World Order. A speech by the Secretary of State for External Affairs, the Honourable Allan J. MacEachen, Bonn, May 1976.
- No. 76/18 Canada and Austria — Sharers of Many Humane Commitments. A speech by the Secretary of State for External Affairs, the Honourable Allan J. MacEachen, Vienna, June 25, 1976.
- No. 76/19 UNCTAD IV — Important Stage on Road to New Economic Order. Statement in the House of Commons, June 10, 1976, by the Secretary of State for External Affairs, the Honourable Allan J. MacEachen.
- No. 76/20 Canada and the United States: A Dynamic Relationship. An address by the Secretary of State for External Affairs, the Honourable Allan J. MacEachen, to a joint meeting of the Royal Society of Canada and the American Academy of Arts and Sciences, Laval University, Quebec City, on June 8, 1976.
- No. 76/21 Pioneering a New Kind of International Economic Co-operation. A statement by the Secretary of State for External Affairs, the Honourable Allan J. MacEachen, on the occasion of the signing of the Framework Agreement for Commercial and Economic Co-operation between Canada and the European Communities, Ottawa, July 6, 1976.
- No. 76/22 New Balance Sought in Canada-U.S. Relations. Remarks by the Secretary of State for External Affairs, the Honourable Allan J. MacEachen, at a dinner given in his honour by the United States Secretary of State, the Honourable Henry A. Kissinger, Washington, D.C., August 17, 1976.



## **Agreement Information**

### **Multilateral**

#### **Barbados**

Exchange of Notes between the Government of Canada and the Government of Barbados constituting an Interim Air Transport Agreement

Bridgetown, November 20, 1974

In force November 20, 1974

Terminated March 31, 1976

#### **Belgium**

Convention between Canada and Belgium for the Avoidance of Double Taxation and the Settlement of Other Matters with Respect to Taxes on Income

Ottawa, May 29, 1975

Instruments of Ratification exchanged

July 28, 1976

In force August 12, 1976

#### **Cuba**

Air Transport Agreement between the Government of Canada and the Revolutionary Government of the Republic of Cuba

Ottawa, September 26, 1975

In force provisionally, September 26, 1975

In force definitively, August 5, 1976

#### **Dominican Republic**

Convention between the Government of Canada and the Government of the Dominican Republic for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income and on Capital

Ottawa, August 6, 1976

#### **European Communities**

Protocol concerning Commercial and Economic Co-operation between Canada and the European Coal and Steel Community (ECSC)

Brussels, July 26, 1976

#### **Finland**

Agreement between the Government of Canada and the Government of the Republic of Finland Concerning the Uses of Nuclear Material, Equipment, Facilities and Information Transferred between Canada and Finland

Helsinki, March 5, 1976

Instruments of Ratification exchanged

July 16, 1976

In force August 15, 1976

#### **France**

Agreement between Canada and France for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income

Paris, March 16, 1951

In force January 1, 1952

Terminated July 29, 1976

Convention between the Government of Canada and the Government of the French Republic for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income and Capital

Paris, May 2, 1975

In force July 29, 1976

#### **Israel**

Convention between Canada and the State of Israel for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income and Capital

Ottawa, July 21, 1975

Instruments of Ratification exchanged

July 27, 1976

In force July 27, 1976

#### **Japan**

Exchange of Notes between the Government of Canada and the Government of Japan constituting an Agreement concerning Textile Restraints

Ottawa, July 28, 1976

In force July 28, 1976

#### **Portugal**

Agreement between the Government of Canada and the Government of Portugal on their Mutual Fishery Relations

Ottawa, July 29, 1976

#### **Switzerland**

Convention between Canada and Switzerland for the Avoidance of Double Taxation with Respect to Taxes on Income and on Capital

Berne, August 20, 1976

#### **U.S.A.**

Exchange of Notes between the Government of Canada and the Government of the United States of America constituting an Agreement concerning the Continued Use of the Churchill Research Range

Ottawa, July 30, 1976

In force July 30, 1976 (with effect from July 1, 1976)

#### **U.S.S.R.**

Protocol to Further Extend the Trade Agreement between Canada and the Union of Soviet Socialist Republics signed at Ottawa on February 29, 1956

Ottawa, July 14, 1976

In force provisionally July 14, 1976

Long Term Agreement between the Government of Canada and the Government of the Union of Soviet Socialist Republics to Facilitate Economic, Industrial, Scientific and Technical Co-operation

Ottawa, July 14, 1976

In force July 14, 1976

### **Multilateral**

Protocol for the Third Extension of the Wheat Trade Convention of 1971

Done at Washington, March 17, 1976

Signed by Canada April 7, 1976

Canada's Instrument of Ratification deposited April 16, 1976

In force June 19, 1976, with respect to all provisions of the Convention other than Articles 3 to 9 inclusive and Article 21, and July 1, 1976, with respect to Articles 3 to 9 inclusive, and Article 21 of the Convention

Protocol for the Third Extension of the Food Aid Convention of 1971

Done at Washington, March 17, 1976

Signed by Canada April 7, 1976  
 Canada's Instrument of Ratification deposited June 16, 1976  
 In force June 19, 1976, with respect to all provisions other than Article II of the Convention and Article III of the Protocol and July 1, 1976, with respect to Article II of the Convention and Article III of the Protocol

Convention on Damage Caused by Foreign Aircraft to Third Parties on the Surface  
 Done at Rome, October 7, 1952  
 Signed by Canada May 26, 1954  
 Canada's Instrument of Ratification deposited January 16, 1956  
 In force for Canada February 4, 1958  
 Canada's Notice of Denunciation deposited with ICAO June 29, 1976, effective December 29, 1976

Fifth International Tin Agreement (with Annexes)  
 Done at New York, July 1, 1975  
 Signed by Canada April 29, 1976

Canada's Instrument of Ratification deposited June 30, 1976  
 Provisionally in force July 1, 1976

Protocol Amending the Single Convention on Narcotic Drugs, 1961  
 Done at Geneva, March 25, 1972  
 In force August 8, 1975  
 Canada's Instrument of Acceptance deposited August 5, 1976  
 In force for Canada September 4, 1976

Convention concerning the Protection of World Cultural and Natural Heritage  
 Adopted at Paris, November 16, 1972  
 In force December 17, 1975  
 Canada's Instrument of Acceptance deposited July 23, 1976  
 In force for Canada October 23, 1976

International Cocoa Agreement, 1975  
 Done at New York, November 10, 1975  
 Signed by Canada July 30, 1976

International Coffee Agreement, 1976  
 Done at New York, January 31, 1976  
 Signed by Canada July 30, 1976

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# Framework agreement is the key to closer relations

By Marcel Cadieux

One of the problems of diplomats is that they live abroad — and for long periods. Often they find it difficult to keep in touch with developments at home. Certainly, they read news bulletins and national publications, but they miss the atmosphere, the moods, that condition public opinion and go a long way to explain national decisions or reactions within the country.

The negotiations leading to and the signature of an agreement between the European Community and Canada furnish a good example. In Brussels, our task in the Mission to the European Communities is to keep tabs on what they may be up to and to try to figure out what this may mean for us. Also, like any other mission, we try to help in achieving the major objectives of our external policies — for instance, diversification and, in consequence, closer and better relations with Europe, with the Community. In our view, an agreement between Canada and the Community seemed a very desirable objective, particularly as it appeared to assist with what we believed, simple-mindedly perhaps, we had been, in the main, assigned to Brussels to do.

I was surprised at the reaction in certain quarters in Canada after what were, after all, speedy and successful negotiations. I thought that we had gained an important point and that opinion in the country would welcome such a move.

On July 6, I attended in Ottawa the signature of the agreement between the European Community and Canada. After the ceremony, there was a press conference. One journalist, with the general approval of his colleagues, asked the ministers what Canada, or for that matter the Community, had gained as a result of the agreement that they did not possess five minutes before. This question concerning the significance of the agreement is typical of a certain scepticism that I found had developed in Canada and elsewhere. I have in mind an article in the *The Economist* entitled "The Missing Link". It is fashion-

able these days to be critical, to take a so-called hard-boiled, dollars-and-cents approach to governmental decisions. There is, of course, no objection to seeking expert assessments of the results of governmental moves. But, if questions are being raised repeatedly, they may also suggest that the answers given have not been fully understood or accepted. (As a civil servant, I am bound to assume that the answers were full and totally effective.)

It occurs to me, however, that should there be any problem with the answers, it might be helpful if I were to attempt to outline the reasons why, from the vantage-point of Brussels, from the outlook of our Mission to the Communities, the agreement seems to be a good and useful thing, "a many-splendoured thing", as was originally said in quite another context.

## No panacea

I should like first of all to make clear that no one in the Government claims that this agreement is a panacea, the "be-all and end-all", that it is in itself the goal of our policy. We see it as a means, an important one as I believe and shall try to show. But the signature of this agreement really marks the beginning of a process. As I suggest later, it is a key and it remains to be seen what we shall do with it, and how we shall furnish the house once the door has been opened. It is the product of our review of relations with our major partners after the decision to diversify our foreign relations. We noted that there were certain gaps in our relations with the European Community, and this agreement is the result of the effort to bridge them, as well as to go on from there to build a new and more intensive relationship.

*Signature  
of agreement  
the beginning  
of a process*

---

*Mr. Cadieux is head of the Canadian Mission to the European Communities. He was formerly Ambassador to the United States and Under-Secretary of State for External Affairs. The views expressed are those of the author.*

In the end, only time will tell how useful, in material terms, the agreement was. Years from now, it may be possible to demonstrate its value in figures, in dollars and cents. That is, of course, the best answer, but it is not available now. And we must be careful that too critical or negative an approach does not discourage attempts to implement the agreement, thus achieving what some of the questioning, some of the critical comments, may achieve in any case, intentionally or not.

It is clear, to me at least, that some of the critics do not give the scheme the benefit of such doubts as may be appropriate for such undertakings. I know that "*comparaison n'est pas raison*", but certain sceptics behave as if, in such matters, accurate forecasts and measurements were possible. They behave as if a man and a woman leaving the church after their wedding were suspect if they were not prepared to indicate how many children they would have, how many boys, how many girls, and at what intervals! There are natural and normal consequences to be expected from certain facts or decisions or policies. In the case of a framework agreement intended to expand economic, financial and industrial co-operation between two entities, Canada and the Communities, there is no reason *a priori* to assume that the deal will not produce the usual effects intended by such devices. It is not possible in advance to quantify their results. It is not fair to deduce from this that they are nil or negligible.

### European unity

There is another relevant consideration. If one believes that the movement towards unity in Europe is a good thing for Europe, for the world and, therefore, for Canada, it is then not a matter of indifference, in assessing the value of the agreement, to bear in mind, and to write down in the plus column, that the Community and its nine members have proclaimed that, for a number of reasons that are clearly set out in its preamble, the agreement is a good and desirable thing from their point of view:

"To consolidate, deepen and diversify their commercial and economic relations to the full extent of their growing capacity to meet each other's requirements on the basis of mutual benefit. . .

Mindful that the more dynamic trade relationship which both the European Communities and Canada desire. . ."

The partners of Canada attach political importance to the agreement. If no more was achieved, this would be significant

and provide by itself, apart from anything else, a considerable degree of justification for the contract.

The "contractual link" has, however, a similar political significance for Canada. It is a clear and important step in the development of our policy of diversification, which, in simple terms, means a better balance in our external relations, and also better relations with the U.S.A. It also gives us a better entrée to the Community in its negotiations, say, on commercial matters. We lack the weight, the "clout", of certain other of the EC partners here. Is it not useful to us, therefore, that the Community, in a formal contract, recognizes its goodwill towards us, its recognition of an identity of purposes between us, its desire to help us achieve objectives that will be mutually profitable?

But there is a great deal more to be said in support of the agreement, not so broad but in quite specific terms.

The EC is our first trading partner after the U.S. and before Japan (the value of our trade with the EEC added up to \$7.3 billion in 1975). Canada, in turn, ranks as second-largest customer of the Community (following the U.S. and preceding Japan). Last year we sold \$4-billion worth of merchandise to the EEC, which represents 12.7 per cent of our total exports. Since the establishment of the Community, Canada's balance-of-merchandise trade has nearly always shown a surplus.

### Less satisfactory

There are, however, less satisfactory features in our trade with the EEC. The share of our exports taken by The Nine dropped from 26 per cent in 1960 to 16.4 per cent in 1970 and 12.7 per cent in 1975 (largely owing to the decline of our shipments to Britain — the weak expansion of the British economy and the British entry into the Common Market). Moreover, the growth of our exports to the EEC lags behind our rising shipments to the U.S. and Japan — even behind the total to all destinations. We supply only 3 per cent of the Common Market — and, considering the importance of that market and its expansion, this is far from satisfactory.

Our competitors are also doing better than we are in the Community market. In 1975, the EEC bought 22.4 per cent of the exports of the U.S. The growth of the U.S. shipments to the Community (9.7 per cent a year) has also been faster than the expansion of our exports to The Nine (6.6 per cent a year).

We can readily conclude that Canada, which is a great trading country depending largely on exports for the prosper-

Agreement  
will produce  
usual effects





*The then Secretary of State for External Affairs, Allan J. MacEachen, is shown here signing the Framework Agreement between Canada and the European Communities. Signature of the agreement on July 6, 1976, ended a search that had continued over a number of years for a "contractual link" between Canada and the Community. The contractual link is envisaged as part of the working-out of the "Third Option" in Canadian foreign policy.*

of its economy, has not taken enough advantage of the great potential of The Nine (a sophisticated and developed market of nearly 260 million people importing more than \$110 billion annually from outside the Community). I should have thought that a fair-minded person would agree that it is very much to our advantage to have in our pocket a signed undertaking from a client of such importance to join us in seeking to expand our trade. This alone, it seems to me, justified the effort of negotiating the agreement.

#### **Inadequate**

It can be argued that a mere undertaking, an indication of good intentions, is of itself somewhat inadequate. After all, in a free-market system, initiative rests with private enterprise. Governments can do little to influence trade or investments. Such a statement is certainly too sweeping and underestimates the role of governments in such fields as a matter of general practice.

The EC and Canada have not, in any case, been content with a mere statement of goodwill. As a beginning and on an experimental basis, the two sides have agreed on the "sectoral approach" as a means of translating intentions into prac-

tical results. We — Canadians and Europeans, government and business — shall sit together and review our respective capabilities, resources, needs, objectives and policies. This can obviously be done most effectively and conveniently on a sector basis. In that way, we can best assess the scope for developing mutually-beneficial relations and estimate the obstacles that now stand in the way of this.

The Community has already sent missions to Canada to explore in three important sectors — uranium, forestry products and non-ferrous metals — what the prospects may be of further exchanges between us. We in Canada have sent a return mission concerned with pulp-and-paper and forestry products. Other areas have been identified and further missions will be organized. Such missions involve industry representatives and government officials, and assess methodically what can be done in specific fields.

Of course, this new technique is not a substitute for the traditional means of promoting trade or investment. The commercial agents are still available; there will be participation in exhibitions, advertisements in suitable publications, the usual useful activities of chambers of commerce.

*Missions  
have explored  
three sectors  
of economy*

However, these traditional approaches to improving market access and promoting exports have their limitations in the world of the Seventies and in the Canada-EC context. Something more is needed if we are to realize the full potential for developing our relations with the Community. The sectoral approach may take time to produce results. It will be assessed carefully and, if necessary, improved, or additional or alternative means may be sought.

Now, these various methods are not instant-miracle schemes. And, under our economic system, they are no substitutes for what private enterprise can do. But they can help. They can overcome, for instance, the obstacle that distance between Canada and Europe may have created. It is possible also that such a technique may be of special help to medium and small undertakings that cannot afford research units or the expense of sending scouts on long journeys abroad. Accordingly — and this view is fully shared by our European partners — we look forward to a partnership with private business in exploring ways to increase their return from two-way trade and investment with Europe. We should be glad to have our doors beaten down by private industries enquiring what is in it for them, and giving their propositions for promising areas. I can assure you that we are prepared to facilitate the route whenever we can.

Again, I should think that having a commitment on the part of the EC to join us in mobilizing official resources in an effort to expand trade and investment, in a decision to use, if necessary, this or traditional or new schemes to reach our objectives, would be an asset, a gain in our need to expand our trade, to promote investment, to expand our economic opportunities, facilitate contacts in an atmosphere of co-operation with pledged intention on the part of the two governmental entities to help and to see how difficulties could be overcome should they arise.

#### **Public sector**

So much for the private sector. Particularly in the case of Canada, where the state has hitherto been a very active agent, there is also a whole range of prospects to be explored in the public sector. The Community needs raw materials, particularly energy resources; it has capital and know-how and a large market. There are here, in defence production and in other areas, important possibilities for mutually-advantageous deals. I know that this example is hypothetical, but, if a deal

with Lockheed had not been possible for the purchase of patrol-planes and the aircraft industry in Europe had been in a position to provide the highly-sophisticated equipment we required, we should have been able to negotiate an important agreement with Community industries. Already we are contracting in Germany for a substantial amount to provide modern tanks for our NATO forces. The contractual link does not deliver such agreements automatically and immediately. But all the elements are in place. The contract with the EC says, in effect, that, in this promising area as in others, the two sides will do their utmost to achieve results. This too is worth while, and would by itself also have fully justified the negotiations.

But this is not the whole story. By implication, the agreement commits the Community to co-operate with Canada in fields that may have a bearing on the bilateral relations. I shall give three examples.

Canada and the Community have substantial interests in the Caribbean and in the Mediterranean areas. They both have, there as elsewhere, continuing assistance schemes. It is clear that the two sides can usefully compare notes on these programs and seek opportunities for trilateral co-operation. This may be the occasion for profitable joint EC-Canada operations.

The same prospects for co-operation between Canada and the Community arise in the framework of regional or multinational institutions. The issues that are being debated there and the rules that are adopted have a bearing on relations between Canada and the Communities. Our agreement helps us in terms of consultation and co-operation with the EC in regard to these matters. Arrangements for liaison, for regular contacts, will be of direct and substantial advantage to both parties and will help in achieving the specific purposes of the contractual link. That we and the EC should be committed to working together in the OECD, in the CIEC, in the UN and its Specialized Agencies, in the myriad fields that relate to our joint objectives, is again a plus, a worthwhile practical step. It cannot be quantified, yet its importance is an aspect of the significance of the problems themselves and an extension of the bilateral commitment to expand relations into areas within the appropriate jurisdictions where relevant decisions can be taken. The agreement follows the two sides whenever they discuss matters that will have a bearing on their plan to expand their relations.



Thirdly, I should also mention as relevant and valuable the enhanced prospects of co-operation between the EC and Canada in a variety of fields involving their economic relations. I have in mind co-operation in such areas as consumer protection, corporation laws, scientific research and development. Some of the things we do in these fields are of interest to the Community and, reciprocally, the Community projects can be profitable to us. There may be occasions for participation in programs under way in Canada or in the Community and for joint EC-Canada projects with clear economic and commercial implications for both sides. The agreement in question is our pass, our title, to approach and deal with the Community on a better basis than we should be able to do without it. This is another advantage to be derived from the agreement that is not theoretical but practical, that can have important monetary and economic consequences.

### Outsiders

In all this, it should be remembered that, unlike what happens in most other organizations (such as, say, NATO or the OECD or the IMF), we are not a member of the Community, we are not insiders, we do not sit at the tables where issues are debated and decisions taken. We are following developments as observers and seek to influence decisions as best we can from the outside. And we are not alone in this situation. Dozens of other countries are with us at the ring-side, competing for attention, for consideration. A contractual link that commits this big and complicated outfit to bear Canada in mind especially opens prospects, expands opportunities to find out what is happening "inside" and to promote more effectively Canadian interests. Community decisions in areas where it has jurisdiction — tariffs, for instance — can affect, and very directly, Canadian commercial prospects. In such circumstances, a private key is indeed very valuable.

It is worth while recalling here that the agreement provides for a Joint Co-operation Committee to meet regularly to carry out the purposes of the agreement. There may be subcommittees or other bodies established as well. Article IV, which institutes this committee, reads as follows: A Joint Co-operation Committee shall be set up to promote and keep under review the various commercial and economic co-operation activities envisaged between Canada and the Communities. Consultations shall be held in the Committee at an appropriate level in order

to facilitate the implementation and to further the general aims of the present Agreement. The Committee will normally meet at least once a year. Special meetings of the Committee shall be held at the request of either Party. Subcommittees shall be constituted where appropriate in order to assist the Committee in the performance of its tasks.

The idea is not to provide a structure for its own sake, but to develop a flexible, workable mechanism, which will be as concrete and practical as possible, to search out and facilitate specific projects of interest to both sides. The exact techniques have not been worked out yet and can, in any event, be expected to evolve. But we expect to look at resource-related industrial sectors, at advanced-technology-related industrial projects, at financing, and at any other aspect that requires attention to help industrialists, businessmen and financiers to broaden and deepen the exchanges to our mutual benefit.

*Flexible and  
workable  
mechanism*

### Evolutionary clause

The contractual link also has an evolutionary clause. If and as the Community expands, in areas such as energy or transport and other fields that may be assigned to it in the future, we are already, so to speak, plugged in, on the ground-floor, with guaranteed access to find out what is happening, how we may be affected, and in a position to discuss with the Community how we can protect and promote our national as well as our bilateral interests. As a result of the agreement, we have not only supplemented, at the Community level, our important and continuing relations with member countries individually but have ensured that we shall leave no gap in the present or in the future in securing an enhanced relationship with the totality of the governmental arrangements in Western Europe that can affect our policies.

*Ensured  
no gap  
will be left*

Perhaps I have been too close to the Community and to the agreement; I may well be prejudiced and see benefits that a more detached observer would not perceive or would evaluate differently. Allowing for this factor, and also, possibly, for the diplomat's "pactomania", I remain convinced that the agreement signed on July 6 last with the Community is not only politically significant but useful and substantial in a variety of practical ways having economic, financial and commercial implications it would be wrong to underestimate, even if, in the very nature of things, some of them cannot, or cannot yet, be quantified with numerical accuracy.

# Both Europe and Canada can benefit from the link

By Paul Pilisi

*"The Canadian Government recognizes the principle of a new Europe and fully supports it."*

Pierre Elliott Trudeau

The "contractual link" that has recently been established between Canada and the European Community would seem to be the beginning of a new phase in the external policy of The Nine. During the Sixties, the major interest of The Six was directed more towards the Third World. The Yaoundé Convention, which was confirmed as a result of the independence of the African countries concerned, in 1963 and 1969 respectively, established a model for co-operation between industrialized countries and developing countries. Since Britain's entry into the European Community, the three lesser communities (the European Economic Community – EEC, the European Coal and Steel Community – ECSC, and the European Atomic Energy Community – Euratom) have engaged in intense political and diplomatic activity to demonstrate the mutual advantage of such an association. The Yaoundé Convention reaffirmed the freedom of the associated countries, thereby precluding any interference with their political and economic independence.

The Yaoundé model of co-operation also served as an example for the establishment of the contractual link between Canada and the European Community. The Canada-Europe contractual link, however, represents the first treaty of its kind between an industrial country and The Nine. The agreement, a major objective of which is the broadening of economic and

trade relations between Canada and the three European communities (it also provides for increased sectoral co-operation with each of the member states in order to obtain special mutual advantages) may therefore serve equally well in turn as a model for other agreements.

It should be noted that the recent treaty is the result of a multidimensional development of transatlantic relations that has taken place over a period of more than ten years.

## U.S. leadership

In the years following the Second World War, Canada supported American leadership in Western Europe in the interest of an economically, politically and militarily united Europe, capable of counterbalancing the power of the U.S.S.R. on the European continent. The outside influence of North America played an important role in initiating European integration. At the time of the Treaty of Rome, and at the end of the Fifties, transatlantic relations in the matter of European unity began to follow the "conflictual model." General de Gaulle's conception of Europeanism called America's leadership in Europe into question. De Gaulle's conception opposed the American idea of transforming the tripolar form of "Atlanticism" into bipolar form. This bipolarization should have meant the immediate integration of Britain into The Six. Faced with this model of conflict, President Kennedy, at the beginning of the Sixties, suggested as an alternative solution partnership between Europe and North America.

Canada, tied by tradition to Britain and cut off from the Common Market, remained indifferent to this dispute, wishing to see Britain stay outside the European Community. Paradoxically, the

*Convention reaffirmed freedom of countries*

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*Mr. Pilisi is Director of the History Section at the University of Quebec in Chicoutimi, and also teaches in the Social Science Department of Laval. He is the author of a number of articles on Europe and European unity. The views expressed here are those of the author.*



latent political differences of opinion concerning the Common Market that existed between Canada and the United States remained below the surface, without adversely affecting relations between the two countries. Canadian membership in the Commonwealth and the specific relations that arose out of that membership encouraged this attitude on Canada's part. This partly explains why, during the Sixties, Canada remained on the sidelines and adopted a somewhat passive attitude in its relations with the European Community.

All through the preceding decade, the attitude of the Canadian Government towards the Common Market was linked to the problem of Britain's membership. While the Conservative Government of John Diefenbaker opposed British membership, the Liberal opposition, under the leadership of Lester Pearson, was in favour. Thus it was only after the signing of Britain's membership that the enlarged European Community raised "questions of the highest importance" for Canada.

It is appropriate to emphasize at this point that Britain's membership is, over the long term, modifying relations between The Nine and Canada, which are in turn affecting the links between Canada and the United States. The present Canadian Government has, since the beginning of the Seventies, begun to develop a long-term external policy to protect national interests and to reduce considerably the country's vulnerability to outside influences. The "three options", the third of which was adopted officially by the Canadian Government, reflect a logical development of external policy based on the new situation resulting from Britain's membership. The years 1974 and 1975 saw considerable development of the Third Option. In addition, the Federal Government has repeatedly stated that the Third Option in no way represents an anti-American attitude but rather Canada's desire to embark on a new stage in Canadian-American relations. Allan MacEachen, then Canadian Secretary of State for External Affairs, declared in 1975 that it was not an anti-American option but one that took into account the fact that Canada's links with the United States were of prime importance in its relations abroad.

In order to achieve the objectives of the Third Option, the Canadian Government has been increasingly active since 1973 in broadening relations with the European Communities. By establishing a separate Canadian embassy to the Communities in Brussels, Canada has, *de facto* and *de jure*, recognized the new Europe,

and is maintaining diplomatic relations with it. The Prime Minister of Canada has made official visits every year since 1974 to The Nine, emphasizing his Government's desire to pursue the objectives of the Third Option. Among these objectives, the following should be mentioned:

- (1) The establishment of contractual relations between Canada and the European Community;
- (2) recognition by the new Europe of the distinctive character of Canada and the Canadian people as a separate political, economic and socio-cultural entity in North America;
- (3) modification of Canadian relations with the United States, in order to ensure independence within a context of economic interdependence.

Thus, the Third Option becomes a long-term strategy signifying the initiation of a new phase in Canada's relations with its Atlantic partners.

### Affinities

It is also important to emphasize the economic and trade bases of the Third Option. From a historical point of view, it is clear that there is no other country outside the European continent having as many affinities with France and Britain, the pillars of the Common Market, as Canada. In the eyes of European governments, and in European public opinion, Canada is not only a vast country forming an integral part of Western civilization but it is also a modern state that, in its twentieth-century history, has made a generous contribution to saving Western freedom from totalitarian regimes. Need we emphasize that today about 45 per cent of Canadian immigrants are of European origin?

But, beyond the affinities of history, culture or language, there is a special aspect to Canadian-European relations in terms of economic and trade ties. From this point of view, it should be mentioned that the Europe of The Six was a less important partner during the Sixties than were the United States, Britain and the rest of the Commonwealth. Japan as well was, particularly for the Western provinces of Canada, a much more important trading partner than West Germany, France or Italy. We note, however, that, since the Kennedy Round, Canadian exports to The Six have increased at a much faster rate than its exports to Britain. The fact that the Common Market had succeeded in increasing its power of attraction for Canada also encouraged a favourable Canadian attitude towards British membership.

*European  
public opinion  
sees Canada  
as modern state*

During the Sixties, Canada's exports to Britain dropped from 17.4 per cent of its total exports to 9 per cent, while its exports to The Six tripled, from \$400 million to \$1.2 billion.

At the beginning of the Seventies, a very large proportion of Canada's exports was directed toward The Six rather than towards Britain. Beginning with the year of the signing of Britain's membership, Canadian exports to the continental European Community considerably exceeded the rate of exports to Britain. Thus, from January 1973 to June 1973, Canadian exports to Britain increased by 9.5 per cent, while those to the continental EEC countries increased by 26.8 per cent. From January 1974 to June 1974, the rate of increase was 19.4 per cent for Britain and 51.1 per cent for the continental EEC. For the period from January to March 1976, in spite of economic, trade and monetary difficulties, Canada recorded a relative increase of 1.5 per cent in relation to the European Community, while exports to Britain decreased by 17.9 per cent compared to the same period of the previous year.

The same tendency can be seen in imports. During the Sixties, Canadian imports from Britain dropped from 11 per cent to 5 per cent, while imports from The Six remained steady at around 5.5 per cent. Towards the end of the decade, imports into Canada from the Common Market countries tripled, from \$237 million to \$805 million. When we examine the progress of Canada's external trade with the EEC, we note that the rate of progress is slightly higher than that of the development of trade relations between Canada and the rest of the world.

It is beyond doubt that such a development in trade relations encouraged officials of Canada and The Nine to think of replacing the ordinary traditional trade relations with true co-operation. Moreover, the economic and monetary problems that are responsible in large part for the drop in exchange between Canada and The Nine in 1975-76 also favoured the establishment of contractual links to enable the rate of increase in exchanges to be maintained at a desirable level.

In view of the facts that, on the one hand, the United States will continue to be Canada's principal industrial and trade partner, and that, on the other hand, Canada wishes to diversify these relations, the following question arises: why does the EEC attach so much importance to Canada? In order to answer this question, we must go back to the options established by the Canadian Government. If the Third

Option were eliminated, there would remain only a North American economic bloc dominated by the United States. In this situation, access by The Nine to Canada's energy resources and new materials would be restricted.

It is also erroneous to maintain that European interest in Canada is limited to material advantage alone. The attitude of The Nine on this issue was clarified by Sir Christopher Soames, Vice-president of the Brussels Commission. The EEC's interest in Canada is not limited to the area of trade and the economy but extends to cultural, political and social concerns as well. Speaking in 1973, Sir Christopher described Canada as a country whose interests and aspirations were wide-ranging, a country striving to assert a separate, distinctive identity.

### Counterweight theory

The "counterweight" theory, linked to the Canada/United States/European Nine triangle, was born of the notion that the mutual strengthening of relations between Canada and the European Community would be able to guarantee a measure of Canadian and European independence from the U.S. In view of the counterweight theory, there is a certain tendency to place Canada in the "natural orbit" of the United States. There are two unofficial theses in this matter, related respectively to the European and Canadian points of view. These "last chance" theories take up the same thesis but from opposite sides.

Towards the end of the Sixties, Claude Julien stated that Canada, with its human, agricultural and industrial resources, was still an indispensable partner for Western Europe, and that it was of major importance to Europe that the United States not become "absolute master" of Canada's considerable resources. In short, Europe ought to pay very close attention to this huge industrial country of Canada, Europe's last chance.

A Canadian, Peter Dobell, director of the Parliamentary Centre for External Affairs, feels for his part that it is the European Community that is Canada's last chance. From this point of view, the European Community is the only economic and trade power capable of counterbalancing the supremacy of the United States in Canada. Canada's dependence on its powerful neighbour to the south is also reflected in a state of "psychological subordination". Those who defend this theory have, in fact, played some role in the policy of modifying Canada's economic and trade relations abroad. According to certain hypotheses arising out of the

*Canada's trade with Community has progressed at slightly higher rate*



theory, there are only two choices remaining for Canada:

EEC-Canada alliance to counter the United States;

Canada standing alone against its neighbour to the south.

The first hypothesis raises more questions concerning the European Community's intentions towards Canada. It is clear, however, that it would be a mistake for Canada to consider having the European Community take over the role of the United States. As for the second hypothesis, it is a matter of pursuing the path of co-operation, and even economic integration, of Canada with the United States. The proponents of this hypothesis question the functionalist thesis of the integration process. Thus, as with the integration process in Western Europe, certain geographical, economic and cultural factors, not to mention political factors such as the American and Canadian federal systems, are working in favour of North American integration. According to this line of reasoning, there exists a degree of unconscious integration and an "integrative situation" that characterizes Canadian-American relations.

While the Canadian Government has recognized the importance of the EEC, it is nonetheless clear that Canadian public opinion has scarcely concerned itself with the issue. However, it seems that neither the Government nor public opinion wishes the First Option to be pursued — that is, continuation of the policy of the Sixties towards the United States. As for the other two hypotheses, concerning co-operation and integration with the United States and diversification of Canada's relations with the EEC, there is a certain amount of controversy.

It is relevant to underline that this Agreement is unique among industrialized countries and that we are pioneering a new form of international economic co-operation . . .

Having successfully met the first challenge by reaching agreement on the framework, we must now infuse it with life. This will be an important function of the Joint Co-operation Committee which has been created under the terms of the Agreement.

We do not expect things to change overnight, but we do hope that the Agreement will act as a catalyst to stimulate economic co-operation which will on our part involve not only the private sector but also the provinces. It

According to a public-opinion poll taken in 1973, French-speaking Canadians are more in favour of integration with the United States than are English-speaking Canadians. This attitude could be explained by the fact that French-speaking Canadians feel only the economic influence of the United States, while English-speaking Canadians are exposed to the cultural and psychological influences as well. For English-speaking Canadians, therefore, this co-operation or integration with the United States would tend to slow down the process of gaining a national identity. Officials of the European Community have shown a desire, however, to recognize Canada as a country distinct from the United States. The Canadian Government has moved slowly in providing information on Canada to member countries of the Community, and the urgency of this need should be recognized.

From Canada's passive attitude of the Sixties to the signing of the treaty establishing preferential links between Canada and the European Community, the decision-making process has been accompanied by a constructive dialogue. However, the effects of contractual links are not immediate. It is important, therefore, that a large-scale publicity campaign be undertaken to provide information to those in Canada likely to be interested in co-operation with Europe. In view, on the one hand, of the unusual complexity of the Community's institutions and, on the other hand, of the European experience with the associate countries in this area, it is in Canada's interest to set up structured institutions to promote long-term co-operation. It is in the European Community's interest to establish a generous policy towards Canada in order to demonstrate to future partners the advantages of contractual links.

*Large-scale  
publicity  
campaign  
required*

is fitting, therefore, that today the representatives of the member states and of the European Communities share the table with representatives of Canada's provincial governments and private business, who will all have to play their part if the Agreement is to achieve its potential.

Thus, today's ceremony, far from being the end of a process, marks the beginning of a new venture. We now have a design and framework; it is now up to both sides to translate promise into performance.

*Extracts from a statement by Allan MacEachen on the signing of the Framework Agreement with the European Communities, July 6, 1976.*

# ASEAN in the wake of Vietnam: the road to Bali and beyond

By Robert E. Bedeski

As power relations have shifted dramatically since the end of the war in Vietnam, the nations of Southeast Asia have sought to adjust accordingly. A major vehicle of this adjustment has been the Association of Southeast Asian Nations, commonly known as ASEAN. Its five members (Indonesia, Malaysia, the Philippines, Singapore and Thailand) have struggled for nearly a decade to create consensus on regional co-operation, and may now be facing their most serious challenge as Vietnam emerges as a united power.

In addition to questions of diplomacy and security, the ASEAN countries also face problems of development, poverty and instability. Recently, the prime ministers of the five nations met in Bali with the intention of producing greater unity and co-operation in the region. However, their future depends at least as much on developments and events beyond their control as on their own collective will and plans.

Since its inauguration in Bangkok in August 1967, ASEAN has been saddled with a burden of diplomatic and economic tasks that have threatened to destroy it. The hostilities between Singapore and Indonesia, territorial disputes between Malaysia and the Philippines, and increasing involvement of Thailand in the American war in Vietnam seemed to portend certain failure in an area that had been Balkanized by centuries of colonial rule, ethnic diversity and great-power rivalries. Cynics dismissed ASEAN as a "stewpot of diverse nationalisms".

Economically, the region was rich in certain natural resources, including oil, rubber and tin, but industrialization was still restricted. The peasant economy dominated most the ASEAN mem-

bers' agriculture, and Singapore's dynamic mercantile economy seemed something of a threat to the more under-developed societies.

In the late 1960s, the countries of Southeast Asia suffered from no lack of organizations to join if they sought a framework for international co-operation. Several were primarily designed for defence, and included the Asian and Pacific Council (ASPAC), of which Malaysia, the Philippines, and Thailand were members, and the Southeast Asia Treaty Organization (SEATO). Other organizations were more concerned with economic and social development, and included the Colombo Plan and the Asian Development Bank.

## Limited flexibility

The defence alliances were creatures of the Cold War, and were based on the expectation of Communist aggression. As such, ASPAC and SEATO severely limited the diplomatic flexibility of its members, and excluded neutrality and nonalignment as possible orientations. The economic organizations were simply too large and diffuse to serve as frameworks for specific regional needs in Southeast Asia. The Association of Southeast Asia (ASA), consisting of Malaysia, the Philippines and Thailand, was established in 1961 and merged with ASEAN in August 1967. Finally, Maphilindo (short for Malaysia, the Philippines and Indonesia), created in Manila in 1963, had failed to become a serviceable framework for implementing regional unity. Thus, the idea of Southeast Asian co-operation was fed from several sources, but only with the 1967 Bangkok Declaration did it appear that a longer-term regional identity — one that could co-exist with parochial nationalisms and even reduce them — was evolving.

The beginning of ASEAN was low-key, and regional unity was a distant objective. The Philippine-Malaysian dispute over Sabah threatened the shaky consensus, but their diplomatic relations were nor-

*The problems of development instability and poverty*

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nalized in 1969. Foreign Minister Ramos expressed the hope that the Association could become an arbiter of future disputes between members. Another dispute, between Singapore and Indonesia, had been mouldering for years, and flared up in October 1968, when two Indonesian Marines were captured in a raid on Singapore and executed. Indonesian students retaliated by ransacking Singapore's Embassy in Jakarta.

### Progress

Nevertheless, progress was made in economic co-operation. ASEAN established permanent committees to facilitate co-operation in communications, shipping, food-production and aviation. A dialogue between ASEAN and the European Economic Community was announced in April 1972. A United Nations study showed that ASEAN could save \$275 million by co-operating on a few regional projects, rather than by each nation's building small plants in competition with the others. Another study indicated that the ASEAN market was three times as large as the largest single market in the region. In the realm of industrial production, this meant that it could be profitable to produce on a regional scale items that might be uneconomical for only a national market. Project studies suggested that commodity production could be organized on the basis of expanded ASEAN markets, and unit costs reduced by about 20 per cent over production for domestic markets only. If these proposals were implemented, many commodities would be competitive in the international markets of the world, with little or no need for tariff protection.

ASEAN continued to move cautiously in the 1970s and sought consensus before making any new diplomatic initiatives. The five member nations were also looking to the future and to ASEAN's role in the region after the end of the Vietnam war.

The "threat of peace" in Vietnam was becoming a reality. A conference of the ASEAN foreign ministers (February 1973) did not result in any concrete program, and each country appeared to be making its own diplomatic arrangements with Hanoi and Peking. A suggestion was made that the ASEAN organization be designated as the agency through which all rehabilitation and reconstruction aid for Indochina would be channelled, but implementation of such a proposal was far beyond the capability of the Association.

In April 1975, Communist victories in Indochina required ASEAN to decide on policies towards the new order. By August,

the five nations had recognized the new Government of Cambodia. Both the Philippines and Thailand established relations with Peking, while Malaysia established diplomatic recognition of the new government in South Vietnam, and the Philippines with North Vietnam. Thailand pursued discussions with the two Vietnams towards normalization, and also speeded up withdrawal of U.S. forces. Manila asked the U.S. for a joint review of defence agreements and, on July 24, President Marcos and Prime Minister Pramoj proposed the phasing-out of SEATO. This was not encouraged by the Chinese, however, who felt that too rapid an American pullout might only encourage the Russians to more activity in the region.

### Plagued by guerillas

Communist-supported guerilla movements continued to plague the Governments of Malaysia and Thailand, and some observers wondered if the "domino theory" might have some credibility after all. With the defeat of Saigon and the capture of large stocks of military equipment (including an estimated 1.2 million rifles), there were fears that these arms might find their way to revolutionary movements in non-Communist Southeast Asia.

When the foreign ministers of ASEAN met in Kuala Lumpur (May 13-15, 1975), they tried to form a unified front. The Malaysian Prime Minister, Tun Abdul Razak, said that ASEAN was ready to co-operate with the new governments in Indochina, and hoped they would set aside "recriminations over the past and ancient fears born of the Cold War" and work with ASEAN to build a peaceful, prosperous and neutral Southeast Asia. Indonesia's Adam Malik proposed a framework of relations based on the Bandung principles of 1955: territorial integrity and sovereignty, non-aggression, non-interference, equality and mutual benefit, and peaceful coexistence. General Carlos Romulo of the Philippines saw subversion and infiltration as greater dangers to the region than external aggression, and called for examination of all options to ensure security. Later, Malik called for U.S. withdrawal of forces from bases in the region but opposed any precipitate departure until the Association was strong enough to defend itself. He hoped the U.S. Seventh Fleet would remain in the Pacific as a balance in the region but would stay out of ASEAN waters.

ASEAN's dilemma was becoming clear: the U.S. was defeated in Vietnam, and might easily abandon its commitments to regional security if isolationist impulses

*Attempt  
at forming  
unified  
front*

overwhelmed the country. The ASEAN group was unprepared to fill the gap that a pullout might leave. Malik argued that Vietnam needed at least a decade for reconstruction, and this would give ASEAN time to set its own house in order. However, past performance in the region was not specially conducive to optimism with regard to political co-operation and, moreover, the Vietnamese Communist movement had been repeatedly underestimated. The time Hanoi needed for consolidation may, in fact, have been exaggerated, and ASEAN increasingly faces a regional political power in Vietnam that is destined to exert a major influence in Southeast Asia.

The Bali meeting of ASEAN members (February 23-24, 1976) marked what was hoped to be a new stage of unity within the region. To emphasize its importance, the heads of state came together and signed a Treaty of Amity and Co-operation. The decentralized approach of the past was abandoned and ASEAN established a central Secretariat. General Dharsono, an adviser to Adam Malik, was nominated Secretary-General.

There was a sense of urgency as members agreed on the need to prevent incipient insurgencies from becoming full-scale revolutions. Lee Kuan Yew of Singapore called for ASEAN co-operation to accelerate in the face of the settlement of the Vietnam war, the U.S. policy of *détente*, and world economic problems. ASEAN now resembled the EEC in that it, too, faced competition from a bloc of Communist countries.

President Marcos told the ASEAN heads of state that their primary task was to "abolish the feelings of suspicion and mistrust among its members". He called for a better "quality of life", freedom from interference by outside powers, respect for territorial integrity and the rights of peoples to choose their own forms of government and social systems. He discounted the danger of external aggression in the near future, saying the principal danger was from internal subversion: "The best defence against insurgents is . . . economic development and social justice".

Premier Kukrit Pramoj of Thailand said that the Bali summit meeting marked a new chapter in regional co-operation and that, for ASEAN to continue as a meaningful vehicle for regional harmony, strong and close economic co-operation among the states was a vital necessity. Malaysia's orientation towards neutrality was continued by the new Premier, Datuk Hussein Onn, who declared ASEAN to be non-ideological and non-military — a rebuttal of Soviet charges that the organization was

merely a disguised defence alliance. Security, he said, depended on the "ability to provide the goods of life". Bilateral co-operation on security was necessary, but the organization should avoid the politics of confrontation.

### Closer to people

Indonesia's President Suharto stressed the need to bring ASEAN and its programs closer to the people. In this, he echoed the frequent criticism that the organization remained largely the creature of governments and was mostly the concern of a regional élite. He emphasized the need for national and regional stability and security, but a security that was "inward-looking, namely to establish an orderly, peaceful and stable condition within each individual territory, free from any subversive elements and infiltrations . . .". The gathered heads of state agreed on the need for security, but failed to reach consensus on how it was to be achieved.

The conference adopted a "Declaration of ASEAN Concord", which reiterated the goals of the organization. These included:

- (1) elimination of threats to political stability;
- (2) the early establishment of a zone of peace, freedom and neutrality;
- (3) elimination of poverty, hunger, disease and illiteracy;
- (4) mutual aid during natural disasters;
- (5) broadening the "complementarity" of respective economies;
- (6) the peaceful settlement of intra-regional differences;
- (7) creation of conditions of peaceful co-operation;
- (8) development of an awareness of regional unity and creation of a strong ASEAN community.

The Declaration continued with a framework for ASEAN co-operation:

A. *Political* — This section called for periodic meetings of heads of government, the signing of a Treaty of Amity and Co-operation (see below), a study on how to develop judicial co-operation, including the possibility of an ASEAN extradition treaty, and other means of co-ordinating actions and views among members.

B. *Economic* — Co-operation on basic commodities, especially food and energy, was called for, with assistance in critical circumstances, and "priority to the acquisition of exports from member states". Member states "shall co-operate to establish large-scale ASEAN industrial plants, particularly to meet regional requirements of essential commodities". In addition, priority was to be given "to projects which

*Need to prevent  
incipient  
insurgencies  
lent sense  
of urgency*



utilize the available materials in the member states, contribute to the increase of food production, increase foreign exchange earnings or save foreign exchange and create employment". In trade co-operation, members were called upon to "progress towards the establishment of preferential trading arrangements as a long-term objective...". Expansion was to be facilitated through co-operation on basic commodities. Members would work jointly for improved access to markets outside the ASEAN area for their raw materials and finished products by "seeking elimination of all trade barriers in those markets, developing new uses for these products and adopting common approaches and actions in dealing with regional groupings and individual economic powers". ASEAN supported efforts towards establishing the new economic order, and requested members to co-operate on international commodity problems, the reform of the international trading system, the reform of the international monetary system and the transfer of real resources. Priority should be given "the stabilization and increase of export earnings of these commodities produced and exported by them through commodity agreements including buffer-stock schemes and other means".

C. *Social* – The ASEAN declaration sought to implement social development in a variety of ways. There should be emphasis on low-income groups and the rural population, with the expansion of "opportunities for productive employment with fair remuneration". Involvement of all sectors of communities, especially women and young people, should be supported in development efforts. Problems of population growth had to be solved, and there had to be intensified co-operation among member states and relevant international bodies in the prevention and eradication of narcotic abuse and the illegal drug traffic.

D. *Cultural and information* – This section sought the introduction of the study of ASEAN and national languages into school curricula. Also, there should be greater support for "ASEAN scholars, writers, artists and mass-media representatives, to enable them to play an active role in fostering a sense of regional identity and fellowship". Southeast Asian studies could also be promoted through collaboration among national institutes.

A single sentence on security merely provided "continuation of co-operation on a non-ASEAN basis [my emphasis] between member states in security matters in accordance with their mutual needs and interests".

The final section of the declaration was concerned with improvement of ASEAN machinery, and noted the signing of an agreement establishing the Association's Secretariat. There was also to be regular review of ASEAN organizational structure in order to improve effectiveness.

The Treaty of Amity and Co-operation in Southeast Asia had been worked out before the Bali meeting, and was signed by the ASEAN leaders on February 24, 1976. The five nations agreed to seek peace and justice through co-operation, respect for territorial integrity and peaceful settlement of disputes. Most of the treaty expressed the ideals of co-operation and dispute conciliation, while leaving implementation and concrete application to the various states and their foreign ministries. Article 14 established a "high council comprising a representative at ministerial level from each of the high contracting parties to take cognizance of the existence of disputes or situations likely to disturb regional peace and harmony". "In the event no solution is reached through direct negotiations," says Article 15, "the high council shall take cognizance of the dispute or the situation and shall recommend to the parties in dispute appropriate means of settlement such as good offices, mediation, inquiry or conciliation."

*Treaty  
expressed  
ideals*

### **Sense of urgency**

A sense of the urgency of strengthening political unity in the face of an uncertain future seemed to pervade the Bali meeting. If the unity could not be positively achieved, then at least obstacles such as intraregional disputes could be minimized. Economic co-operation was the subject of a special meeting of ASEAN economic ministers in Kuala Lumpur (March 8-9, 1976). Opening the meeting, the Malaysian Prime Minister called for a shift from generalities to specific measures. The ministers reviewed a natural rubber-price stabilization scheme that was to be the basis of an international agreement within the Association of Natural Rubber Producing Countries. Rice and oil were identified as commodities that should come under preferential trading arrangements. The delegates agreed that negotiations on the prices of these commodities should be bilateral but also in the spirit of strengthening ASEAN economic resilience. In energy production, the ASEAN Council on Petroleum was to be used for co-operation.

*Commodities  
identified  
for preferential  
arrangements*

The conference established a group of experts to review the industrial co-operation program and directed them to consider the feasibility of establishing ASEAN industrial plants for urea, superphosphates,

diesel engines and soda-ash. The group was also directed to examine the technical and economic feasibility of new capacity in newsprint and potash, and to consult on national programs for steel and basic petrochemicals with a view to co-ordinating these programs. Other projects to be studied were metal-working machine tools, fisheries, tin-plating, tires and electronic components.

In order to strengthen trade co-operation, the ASEAN economic ministers agreed to examine the following points as possible bases for future studies: long-term quantity contracts; purchase-finance support at preferential interest rates; preference in government procurement; and extension of tariff preferences. The economic ministers agreed to establish machinery for dialogue with third countries or groups of countries or other regional blocs, and to adopt approaches to other world economic problems in the United Nations as well as in other international forums.

Neither the Bali summit meeting nor the subsequent conference of economic and planning ministers produced any great surprises. Despite resolutions on economic co-operation, mutual suspicions would probably inhibit the region from becoming a free-trade area. There were fears that cutting tariffs by the less-industrialized member states might lead to Singapore smothering the infant industries. Abandonment of protectionism might also allow multinational corporations an unwelcome entry into the region.

### Open membership

The ASEAN members had declared membership in the organization to be open to all countries in Southeast Asia, and extended a welcome to the states of Indochina to enter. Despite friendly overtures and assurances that ASEAN had no intention of forming a military bloc, Hanoi was highly critical of the Bali summit meeting in general and several of the states that attended it in particular. Indonesia, for example, was called "the regional policemen of the U.S.A.". Moreover, the Government of North Vietnam stated that it would actively support all insurgency movements in non-Communist countries in the region. Hanoi was not opposed to the conception of regional organization in Southeast Asia but feared that the U.S. planned to use ASEAN to oppose revolution in the area. On March 7, the Malaysian Prime Minister said that time would show that ASEAN was not "a new SEATO in disguise". There were indications that the North Vietnamese attacks only

strengthened ASEAN solidarity against Hanoi, especially since the members were already nervous over the possibility of fresh outbreaks of insurgency in their respective states.

The Soviet Union had also seen ASEAN as an incipient military pact, but modified its judgment and was less hostile after the Bali conference. China was responding more favourably, stressing the strengthening of economic co-operation at the Bali meeting. In addition, regional solidarity would increase the ability of the countries to resist the inroads of the Soviet Union, which increasingly appeared to be a major beneficiary of Communist victories in Vietnam. The *Peking Review* (March 5, 1976, p. 20) commented: "As a result of the meeting, unity and co-operation among the ASEAN states have been strengthened, while the 'Asian collective security system' hawked by the Soviet Union has been spurned."

### Secretariat

As the international system was becoming more complex, ASEAN had established a central Secretariat to deal with an increasingly wide range of activities. Since the Secretary-General would now act as the main channel of communication between ASEAN countries, the right person had to be chosen for the position. The Secretary-General, who is more an administrator than a statesman, is responsible to the five foreign ministers and, through them, to the standing committee of ASEAN. He currently has authority to address communications directly to the five member states, to implement and co-ordinate ASEAN activities, and to initiate plans and programs. The secretariat consists of three bureaux with directors: Economics, Science and Technology, and Social and Cultural Affairs. In addition there are four offices: Foreign Trade and Economic Relations, Administration, Public Information, and Assistant to the Secretary-General.

One major advantage of the central Secretariat is that ASEAN can now present a more unified negotiating stance with other countries or organizations. Links between ASEAN and the EEC were discussed at Brussels, and further progress was delayed until Dharsono was formally appointed and running the Secretariat.

During the months following the Bali conference, diplomatic activity dominated ASEAN's immediate adjustment to new international realities. Lee Kwan Yew visited Peking, but did not seem to be in a hurry to establish diplomatic relations with China. He emphasized that relations

*Agreement  
on machinery  
for dialogue  
with others*



had to be on a basis of non-interference, while stressing political differences rather than what there was in common between the two nations. As the representative of a society made up of a predominantly overseas Chinese population, Lee has been extremely cautious about the sensitivities of Malaysia and Indonesia — two countries with large Chinese minorities. He must avoid being labelled leader of the "Third China" if ASEAN national feeling is not to be aimed at the overseas Chinese communities in their midst.

### Impasse broken

The break in the ASEAN-Vietnam impasse came after the ninth annual ASEAN foreign ministers' conference in Manila in July 1976. The meeting itself produced no new breakthroughs in the numerous plans outlined at the Bali meeting, but it did confirm the appointment of Secretary-General Dharsono and the agreements on the Secretariat, which would not be fully launched until early autumn.

Vietnam was officially reunified, and the foreign ministers in Manila welcomed the move. Although wary of U.S.-Philippine talks on the status of bases at Clark and Subic, Hanoi let it be known that a goodwill mission would be visiting several ASEAN capitals. Deputy Foreign Minister Phan Hien led the delegation to Malaysia, the Philippines, Indonesia, Singapore and Burma in July, and almost immediately, a more friendly line towards ASEAN was evident in the Vietnamese media. The withdrawal of U.S. forces from Thailand and Manila's efforts to recover sovereignty over its bases may have been crucial in the changed attitude of Hanoi, but it was also clear that, if Vietnamese recovery and reconstruction were to be accomplished without economic dependence on the Soviet Union or other major powers, then economic and political co-operation with Vietnam's regional neighbours was important.

Phan declared that his Government was prepared to establish relations with Southeast Asian countries on the basis of four principles:

- (1) mutual respect for sovereignty, territorial integrity, equality and peaceful co-existence;
- (2) prevention of any foreign country from using one's territory as a base for direct or indirect aggression and intervention against the other country or other nations in the region;
- (3) establishment of friendly relations, economic co-operation and cultural exchanges on the basis of equality and mutual benefit;

- (4) development of co-operation among countries in the region for their prosperity and for the benefit of independence, peace and genuine neutrality in Southeast Asia, thus contributing to world peace.

On July 12, the Philippines and Vietnam announced the establishment of diplomatic relations. The diplomatic thaw was possible because Hanoi was willing to tolerate U.S. bases in the island republic, Manila having pledged that they would not be used against Vietnam. Perhaps more important in decreasing hostilities in the region was the growth of economic relations between Vietnam and the ASEAN countries. Singapore in particular has enjoyed a boom in its trade with Vietnam as the latter country gains momentum in postwar reconstruction. Nevertheless, this trade represents only about 1 per cent of Singapore's total.

The Hanoi mission visited Malaysia, and received a promise of help in the rehabilitation of the rubber plantations damaged by the war. Malaysia also invited Vietnam to join the Association of Rubber-Producing Nations, and has agreed to help the development of the palm-oil industry. An oil-industry delegation accompanied the Vietnamese goodwill mission to Indonesia, and it appears that the promising oil-field off the south coast of Vietnam may be developed with Indonesian assistance in the future. Thailand became the last ASEAN country to establish formal ties with Vietnam (August 6, 1976).

Vietnam is the second most populous country in Southeast Asia, after Indonesia. In its efforts to industrialize, the country has been heavily dependent on Soviet assistance. Progress has been excellent in electric power, coal and steel, and Vietnam may one day become an economic super-power in the region. Thus the threat to ASEAN countries may not be military or political, as they once suspected, but economic. The Vietnamese socialist system rests on different economic and political premises from the economies of the ASEAN countries, and complete integration of Hanoi into the association is not likely. Nevertheless, it is vital to Vietnam to cultivate economic and diplomatic relations with ASEAN both to strengthen its program of recovery and to minimize dependence on a single foreign power. If anything, Vietnam does not want to repeat the Chinese experiences of 1960, when the Sino-Soviet rift occurred and Soviet assistance was abruptly withdrawn.

Thus, in responding to the question of postwar settlements, the ASEAN coun-

*Growing  
diplomatic  
and trade  
relations  
with Vietnam*

tries reacted as sovereign nation states rather than as a bloc. National interests rather than regional solidarity dictated the postures taken towards Hanoi. Perhaps if the Secretariat in Jakarta had been better established, a better co-ordinated policy could have been arrived at, but that is questionable. ASEAN remains a loose federation at a time when a new Pacific economy is emerging. Japan and Austra-

lia, two countries intensely interested in Southeast Asia, signed a Treaty of Friendship and Co-operation, and a rise in their economic relations is anticipated. Rich in natural resources but distracted by domestic instability and territorial disputes, the ASEAN countries may find themselves out-performed by more united and more determined competition in the Pacific region.

## New ethics and politics of world food scarcity

By Nasir Islam

The past decade has witnessed many localized famines and food shortages that resulted in widespread human suffering. What lies ahead, however, is no localized, temporary disaster but a continuously creeping emergency of massive scale. As the galloping population growth in the Third World outstrips its technological capacity to produce more food and the "green revolution" grinds to a halt because of scarcity of fuel and fertilizers, the world faces a chronic food crisis.

Although there is some disagreement as to its causes, most experts tend to believe that the international food situation has undergone some fundamental changes and that food scarcity is becoming a permanent feature of the world economy. Historically, the demand for food rose because of the rising population. However, a striking element in the demand picture has been a tremendous increase in *per capita* consumption of cereals in developed countries where population has not been increasing. On the production side, the increase in the

early 1970s was modest compared to that of the early 1960s. Contrary to general belief, agriculture was far from stagnant in the Third World, but the upward trend in production and dynamism in agriculture were thwarted by the parallel trend in population increase. Many economists regard the government policies in major wheat-producing countries, leading to cut-backs in acreage, as the largest single factor in food scarcity.

### Future prospects

The prospects for the future do not seem to be very bright, particularly for the less-developed countries. At best, there will probably be a precarious balance between supply and demand for the next decade. The exporting countries are no more committed to holding food reserves. In fact, recent legislation in the U.S. discourages the accumulation of wheat-stocks. Consequently, the world food market will be highly competitive and very little food will be available for aid. Continuing energy shortages and soaring prices of fertilizers, chemicals and other needed "inputs" will make it almost impossible for developing countries to become self-sufficient in food in the near future. According to the projections of the U.S. Agriculture Department, Japan will have a large food deficit by 1985 and the European Economic Community countries, as well as the Communist countries, will still need to import food during the next decade.

*Food scarcity becoming permanent in world economy*

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Part of the Canadian response to problems of world food comes in the form of emergency relief. Here a shipment of emergency relief supplies is being unloaded from a Canadian Forces plane in Pakistan. But the world food problem runs deeper than relief measures, as the accompanying article points out.

In view of these developments and of future estimates, it is being suggested that a new instrument of international power politics has emerged — U.S. monopoly over food. It may be noted that the U.S., with Canada, today controls a larger share of the world's exportable supplies of grains than the Middle East of its oil supplies. U.S. monopoly over food is being compared to U.S. nuclear power immediately following the atomic holocaust in Hiroshima. It has been suggested that the “petro-power” of the Arab states could be counterbalanced by the new food power. Not only is there talk of food power, but prominent people are also proposing a new basis for food allocation among the world's hungry — triage and “lifeboat ethics”.

### Triage

The word “triage” comes from the French verb “trier”, meaning sorting out, categorizing or dividing into groups. The notion came into use in military medicine during the First World War as a means of assigning priority of treatment to the wounded on the battlefield. According to triage, the wounded are grouped into three categories: those who cannot be saved

with or without medicinal help; those who will survive without any medical treatment; and those who can be saved with immediate medical assistance. It is only the last category that would receive medical attention.

Paul and William Paddock, in their book *Famine 1975*, for the first time proposed the use of triage in the allocation of food aid. They argued that it was a sheer waste to provide food aid to countries where the population growth had already outstripped their agricultural potential. Nations that had adequate agricultural resources or had the capacity to buy food from the international market and that possessed small populations should also be left to their own devices (resources). Food aid should only be given to nations with a manageable gap between their population growth and their agricultural resources. Food aid would help these countries to buy time for implementing effective agricultural and population-control policies.

Complementing triage-thinking is “lifeboat ethics” whose chief advocate is biologist Garret Hardin. He compares rich nations like the U.S. or Canada to lifeboats in an ocean surrounded by less-

*First proposed use of triage in allocation of food aid*

fortunate people from the hungry world, clamouring to climb aboard. The lifeboats of the rich nations do have some extra capacity, which, however, they must retain as a safety margin. They cannot accommodate all those trying to keep afloat. If they try to do so, their boats will capsize. Thus the lifeboats must be constantly on guard against boarding parties.

Pressing the lifeboat ethics and triage morality to its logical conclusion, Dr. J. Forrester of the Massachusetts Institute of Technology argues that food relief is unethical because it creates more misery in the long run than it alleviates. Massive relief to overpopulated and poverty-stricken countries disrupts the natural mechanisms that control population. The people saved by such relief breed more people and compound the problems, to the point where they cannot be solved by any relief at all.

### Starve now

The advocates of new situational ethics are pressing for a policy of letting people starve to death now to prevent them from starving at some future date. Acceptance of such a morality will mean the murder by omission of millions of people, a decision based on a moral and empirical judgments about the future that may, in effect, prove to be wholly erroneous. If we are, in fact, fast approaching the absolute limits of this planet's productive capacity, we cannot propose triage for the poor and continue to erode the world's resources by over-use and waste in the rich countries. Equally naive is the underlying assumption of lifeboat ethics and triage that "food haves" are completely independent and can unilaterally shut-off the supply of food to "food have-nots" without any reprisals.

The consequences of these policies for international trade and the operation of multinational corporations will be grave. The world system today is characterized more by "interdependence" than by "independence". Consequently, a "co-operative" model rather than a "conflict-escalation" model will be more suitable for the future world. It may also be noted that this new morality of food allocation takes an extremely pessimistic view of human destiny, discounting population-planning experiences in China, Japan and Taiwan. It ignores the positive effects of the green revolution in India, Pakistan and the Philippines. It disregards the possibility of a breakthrough in food technology.

If one looks at the food-aid policies, particularly that of the United States, the ideas of triage and lifeboat ethics seem to

be quite irrelevant. Humanitarian considerations may be one of the many factors in the complex decision-making arena of food aid, but certainly the most important criterion is the self-interest of the donor countries. Food aid has largely been an instrument of power politics and not a function of the recipients' capacity to respond positively to such aid.

### Food aid politics

The United States has been by far the largest food donor during the last 25 years. Its food-aid program was originally conceived under Public Law 480. It was the declared intent of this act to promote stability in American agriculture, disposal of huge agricultural surpluses and use food aid in furtherance of foreign policy. Consequently, over the past 20 years, a large amount of U.S. food aid has gone to countries that formed the U.S. defence perimeter, or countries that were of special political importance. Thus South Korea, South Vietnam, Indonesia, Pakistan and Israel have received the lion's share of food aid. During 1974, for example, Israel, with a population of three million, received more food aid than Bangladesh, whose population is over 70 million. The U.S. Government refused to sell wheat to the Government of President Allende just a few days before his assassination, but it readily approved a huge credit sale a month later to the new Government. It is said that, during his 1974 visit to India, Henry Kissinger tried to strike a bargain assuring sufficient quantities of food aid if India would let the U.S. build a naval base on Diego Garcia. U.S. Congressman Yatron, a member of the House Sub-Committee on International Resources, Food and Energy admits that U.S. food aid continues to be used for "international economic and political leverage".

From a short-term perspective, food aid is extremely beneficial — yet, in the long run, paradoxically enough, aid has negative effects on the capacity of the recipient countries to become self-sufficient in food. It has been pointed out that the dumping of surplus food in the developing countries retards the growth of indigenous agriculture (particularly food-production) and thus keeps the poor nations dependent on the rich. Large-scale American food aid in the past has led indirectly to a delay in land reforms in South Asia and Latin America. It enables the leaders of the developing nations to give low priority to agricultural development and instead to build shiny factories, television networks and nuclear reactors and to indulge in armament

*Independence of 'food haves' a naive idea*





High on the list of available world food supplies, and of Canadian trading commodities, is the wheat produced on the Canadian Prairies. Much of the grain is gathered at the Lakehead, where it is stored in massive grain-elevators for transfer to ships. Above, the S.S. Simcoe is seen being loaded at Thunder Bay.

faces with their neighbours. In fact, food aid has helped élite groups who do not give high priority to agriculture and food production for the masses to remain in power for long periods.

### Dramatic change

In recent years, however, the politics and economics of food have undergone a dramatic change. With surpluses depleted, a high demand for food all over the world and the entry of prosperous new buyers into the market, it is not in the interest of the exporting countries to give food aid. During 1972-75, commercial food exports increased from \$1.7 billion to \$7 billion. Thus "Food-for-Peace" programs have been transformed into "Food-for-Cash" programs. It is evident that the present food shortage is not because of drastic changes in supply but rather because of the changing nature of demand and consequent economic policies of the exporting nations.

Food shortages of the Seventies and the example of the Arab oil embargo have led to a re-emphasis on the use of food as an instrument of power politics. The idea

of food power acquired quite an impetus in the United States after the CIA produced a report predicting enormous political gains and hegemony over the world for the U.S. in the wake of future food shortages. According to this report, in addition to growing demand, the climatic changes in the regions outside the United States would work to the detriment of future food production in the U.S.S.R., China, Canada and some monsoon regions of Asia and Africa. This would give the U.S. a quasi-monopoly over the exportation of food, leading to U.S. hegemony in the world comparable to the U.S. position during the late Forties.

Even if one accepts the CIA forecast, the exercise of food power has certain inherent limitations. The countries most subject to U.S. food power will be those that in future are likely to have the largest food deficits. Most estimates indicate that, with the exception of Japan, the countries that fall into this category are the poorest countries of Asia and Africa. One wonders what is the significance of having "power" of life and death over a country like Bangladesh or over the Sahel region of

*CIA report  
predicted  
political gains  
in wake of  
food shortage*

*Embargo  
would hurt  
U.S. farmers  
and related  
industries*

Africa and what kind of "trade-offs" can be achieved. The proponents of food power would like to use it against the oil-rich Middle Eastern Arab countries. It is, however, obvious that a relationship of interdependence puts great limitations on the use of food power. During 1973-74, the U.S. bid to use food as leverage to roll back oil prices was not very successful and had to be abandoned in favour of a more co-operative policy. A U.S. House of Representative study on food embargoes indicates that the OPEC countries can easily afford to procure their food elsewhere and, in fact, large quantities of food imported by these countries already comes from other sources. Besides, a U.S. food embargo against the Middle East will seriously hurt the U.S. farmers, grain-traders, railroads and other groups related to industries based on agriculture. External collaboration, not only from the food-surplus countries but also from countries like France and the U.S.S.R., will be another serious obstacle.

### One factor

Food represents only one factor in the international power equation. There are other energy and non-energy industrial raw materials that are equally likely to be used as instruments of international power politics. U.S. independence is gradually being eroded in the area of minerals and in future its dependence on imports will increase. It is evident that exercise of food power has to be examined in the context of a highly-complex pattern of interdependence between producers of various raw materials and their consumers, which imposes serious constraints on exercising food, "petro" or various other kinds of "power".

Hunger must today be tackled at every level — at the family, village, province, country and region as well as the global level — for no unit of society bears any graver responsibility than that of feeding its people. In our present world community we are everywhere faced with an agonizing awareness of starvation wherever it occurs; and finding means to harness production around the world to alleviate it poses a challenge to our ingenuity as well as to our compassion. . . .

We know from experience that expanding food production on a secure basis is not easy. It demands adaptation of land and water, technology, research, finance, modernized storage and transport facilities, marketing organizations, planning, and government services — all of which may require changes to traditional modes of life.

In the absence of a co-operative international strategy to alleviate the world food shortages in future, the international community may face serious security problems. As the CIA's Office of Political Research indicates, there is a possibility of massive migrations into food-surplus regions, with the use of force. Piracy on the high seas — hijacking of shiploads of food — may become a menace in the era of chronic food shortages. It is difficult to predict how countries like India and Japan would react if they could not procure the food they needed for their survival. They certainly have the military, economic and technological potential to grab what they need from their less-powerful neighbours. Chronic food shortages will seriously undermine the internal security in regions like the India-Pakistan subcontinent where society is already deeply divided along ethnic and ideological lines.

The ultimate solution lies in enabling the developing countries to become self-sufficient in food by transforming their primitive agriculture into modern and highly-productive systems. Effective population planning is indeed a prerequisite to any solution of food scarcity. Technical and financial assistance will play a key role in this transformation. It will be necessary to discourage commodity aid in the agricultural sector and emphasize investment. In the meantime, food aid for emergencies will be required. Bilateral food aid should be limited only to serious emergencies. Multilateral arrangements, as recommended by the World Food Conference, are more suitable for food aid and price stabilization. It is evident that, if the world community fails to act soon and if the world food strategy, as initiated by the World Food Conference, fails to materialize, millions of people will starve to death in the Third World.

Increased production is also facing barriers arising from supply shortages of certain "inputs", notably nitrogenous fertilizers. No *deus ex machina* will remove these impediments overnight, and each country must come to terms with them in its own way. Where Canada can help to make these problems more manageable it will and it will strive to see access to "inputs" maintained internationally on an equitable non-discriminatory basis.

The situation of the "vulnerable groups" in food-deprived areas is a reproach to us all. The spectacle of 200 million malnourished children, and of nursing mothers suffering on a similar scale, makes a mockery of the ideals professed by every society. *Allan J. MacEachen at the World Food Conference in Rome, November 1974.*



# "Input" of foreign policy to immigration equation

By Constantine Passaris

Immigration has always been a topic of considerable debate and controversy in Canada. There is no doubt that the flow of people from one country to another is a field of enquiry that encompasses numerous aspects and consequences. Little time and effort have been spent, however, in analyzing the multitude of political, social, cultural, psychological and demographic considerations that have been and will continue to be an integral part of the immigration equation. One such evaluative impasse has been and continues to be the powerlessness of national reviews on immigration policy to wrestle with the political ramifications of this important debate. Seldom have the implications of Canada's immigration policy been discussed within the broader framework of the political cosmos. The correlation that exists between Canada's foreign policy and the course of its immigration policy appears to have been totally neglected. It would appear a paramount issue for consideration, therefore, that Canada's external relations and its stature as a prominent member of the international community of nations be brought into a proper perspective when discussing the full impact of a certain course of immigration policy. Although this endeavour will prove to be like sailing over uncharted waters, it is these international consequences of Canadian immigration policy that I intend to discuss in the ensuing pages.

It seems to me that any serious consideration of the pertinent immigration issues should encompass the domain of foreign policy. An analysis of Canada's current foreign policy would, therefore be, most appropriate. Canada's foreign policy derives its validity from the degree of its relevance to contemporary national interests and objectives. In this regard, foreign policy is expected to conform with the principal national goals set by the Federal Government. Currently, these goals are: (1) that Canada continues as an independent political entity; (2) that Canadians reap the benefits of enhanced

prosperity, broadly defined; and (3) that the Canadian identity and purpose are preserved through an enriched life, with a positive contribution to humanity at large.

## Internal policies

One crucial element in the interdependence of national interests and objectives with foreign policy considerations is the degree to which Canada's international relations may be affected by the pursuit of shortsighted internal policies. In terms of immigration policy, this cause and effect consequence is not readily observable at first glance. On closer examination, however, one finds that, although the multifaceted immigration question may appear to have direct internal political, economic and social considerations, there are also direct repercussions from Canada's international obligations and its image and credibility within the international community of nations.

Three aspects of Canadian foreign policy that appear to be directly relevant to the immigration question remain obscure in the current national review. Such aspects of foreign policy as global population pressures, development assistance, the "brain drain" and refugee policy remain unexamined in any depth or rigour. Furthermore, the Green Paper on immigration and population and the subsequent report on immigration by the Joint Senate and House of Commons Committee on Immigration only fleetingly discuss these important areas of immigration policy as they affect Canada's international obligations.

*Immigration can affect international credibility*

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*'Living space'  
to support  
population  
increase*

The geometric increase in the world's population, with the ensuing strife, famines, poverty and disease, has propelled a large number of internationalists to point at Canada as one of the countries with international responsibilities, and indeed an obligation to relieve these population pressures. Although Canada has accepted just over four million immigrants since the end of the Second World War, internationalists maintain that it can absorb a higher rate of population growth through immigration so that it can meet its international responsibilities. Canada's moral responsibility in the face of population pressures elsewhere is at the heart of the proposals for a more liberal immigration policy. Justification for this stand rests on several arguments: recognition that Canada has "living space" that could support a larger population-base; relative abundance of natural endowments compared to the rest of the world; the fact that a larger population may lead to economies of scale for Canadians; an obligation to do whatever can be done to relieve population pressures throughout the world; and, finally, the more pointed observation that, if we do not populate our land, it will eventually be taken from us by those who require it.

### **Resource share**

Perhaps the most critical argument, however, is made by internationalists who maintain that Canada possesses a disproportionate share of the world's resources. It is important to note in this regard that proponents of this view maintain that enlightened population and immigration policies are a creditable form of international assistance. This approach favours population and immigration policies that are approved and co-ordinated by the international community rather than through the process of bilateral agreements. The multilateral approach would thus ensure a concerted effort to work towards a global strategy rather than a piecemeal effort.

The process of emigration is not, however, regarded as a panacea by all developing countries. It is true that some of the smaller developing countries view emigration as a short-term measure of relief from the problems associated with rapid population growth. The larger countries of the Third World, however, appear to be more hesitant in endorsing emigration as an effective long-term strategy for eliminating population problems. Indeed, the tendency of current immigration policies in the developed world to accept only those immigrants with high

levels of education and special skills is seen by many leaders of the Third World as a threat to the prospects of their countries for growth and development.

Another counter-argument involves the limitations placed on Canada's absorptive capacity in the domain of relieving population pressures through immigration. Furthermore, global population growth is so excessive that immigration would not significantly alter the balance. To date, however, Canada does not have an official Government policy that spells out the correlation between population and development within the scope of Canadian international assistance.

### **Brain drain**

During the past decade Canadian immigration policy has strongly favoured the highly-educated, professional and skilled groups of potential immigrants. The gains to Canada in high-quality manpower have been very substantial. It has been estimated that the dollar value of Canada's gain in manpower resources from the developing countries far exceeds its contribution in foreign aid to those countries. This conflict of aims is particularly perplexing in view of Canada's international manpower-assistance programs, carried out by such organizations as the Canadian International Development Agency (CIDA), the Canadian University Service Overseas (CUSO), and the Canadian Executive Service Overseas (CESO). These organizations try to forward the development process in the developing countries by providing them with the services of Canadians who have skills and expertise that are greatly needed in the Third World.

The economics of using immigrant manpower as a source for enhancing Canada's manpower resources has come under considerable scrutiny of late. The saving in human capital expenditures that is revealed by this economic analysis reflects the absence of Canadian private and public expenditures on medical fees, housing, shelter, clothing, education, etc., all of the standard expenses that are normally incurred in the process of raising an infant to the age when he will be able to enter the labour force. In this respect, the cost of raising each migrant worker is borne by the immigrant's country of origin. Conversely, an immigrant's country of destination reaps the benefits of a member of the labour force without incurring the cost of his upbringing. The economic significance of this imputed saving, particularly in the case of highly-skilled and professional people, has been estimated to



be in the range of several hundred thousand dollars a person. A fairly recent study revealed that the cost for Canada of "producing" the output of skills that were imported in the form of university education alone would have amounted to \$532 million (in 1961 prices) over the period 1946-63. Furthermore, it is worth noting that these computations took into account only the direct costs — of instruction, educational facilities, books, etc. — that would provide an equivalent number of Canadians with a comparable amount of education to that of the immigrants in question. It has further been estimated that an indirect cost of \$455 million would have been incurred in the form of earnings foregone by those who had occupied themselves with study instead of work.

Another research project, entitled *Studies in the Economics of Education*, which was conducted by Bruce Wilkinson for the Federal Department of Labour, estimated that the value of education represented by all immigrants who arrived in Canada between 1951 and 1961, measured in terms of the costs that would have been incurred in providing a comparable educational attainment in Canada, was \$5.9 billion. After deducting the education costs of Canadian-born emigrants to the United States, which have been estimated at between \$980 million and \$1.7 billion, the study concluded that the net education value of immigrants for the decade ranged between \$4,167 and \$4,920 million.

### Neglected dimension

There is, however, an often-neglected dimension in any balanced evaluation of the immigration of highly-skilled manpower across international boundaries. The significant positive returns for the highly-educated and skilled emigrants to their country of destination are only part of the picture. The other consideration is the loss in highly-needed manpower for the developing countries. Concern over the costs and manpower loss of professional and technical expertise by the developing countries was the topic of a pointed address by President Julius Nyerere to his Parliament on May 12, 1964. In this classical address, Tanzania's President pointed out:

Some of our citizens will have large amounts of money spent on their education, while others have none. Those who receive the privilege, therefore, have a duty to repay the sacrifices which others have made. They are like the man who has been given all the food available in the starving village in order that



*"The world is so full of a number of things I'm sure we should all be as happy as kings." Robert Louis Stevenson's couplet seems to sum up the look in this young immigrant's eyes. Unknown to her, she is entering a new life, secure in her mother's backpack.*

he may have strength to bring supplies back from a distant place. If he takes this food and does not bring help to his brothers, he is a traitor. Similarly, if any of the young men and women who are given an education by the people of this republic adopt attitudes of superiority or fail to use their knowledge to help the development of this country, then they are betraying our union.

The emigration of professionals, educated, and highly-skilled individuals from a developing to a developed country is often referred to as the "brain drain". Canada's role in the brain-drain issue emerged in the House of Commons when Douglas Roche, Conservative member for Edmonton-Strathcona, told it on April 22, 1974:

The United States, the United Kingdom and Canada are receiving as a gift from developing nations a large cadre of trained persons whose education was expensive to the developing countries and who contribute critically-important medical services to the populations of the developed countries. It is not possible to arrive at any single figure representing the monetary gain to receiving countries. However, it is clear that the total gain for major receiving countries should be considered as being in the hundreds of millions of dollars a year.

The report goes on to state that Canada's intake of professionals in proportion to its population appears to be the largest

*United Nations  
Secretary-General  
identified  
Canada's role  
in 'brain drain'*

in the world. This would indicate Canada's increasing reliance on the skilled, the educated and the professionals from the developing countries. Substantiating this aspect of Canadian reliance on foreign-trained manpower, the report brings to light some interesting statistics. Between 1946 and 1963, the rate of skilled immigration increased from 8.5 per cent to 36.3 per cent, and the percentage of professionals entering Canada from developing countries increased from 7.2 per cent in 1963 to 27.6 per cent in 1963 to 37 per cent in 1967.

Of considerable importance in the brain-drain debate are the political implications of this issue for Canada's role and image on the international scene. Indeed, it would appear that the most significant action for Canada at the international level is to provide for greater recognition of, and support for, the manpower policies of developing countries through a more sensitive approach in the formulation and implementation of Canadian immigration policy. Indeed, the precedence of international co-operation in this sphere has been clearly accepted in the spirit of Prime Minister Mackenzie King's statement on immigration policy:

I wish to make it equally clear that the Canadian Government is prepared, at any time, to enter into negotiations with other countries for special agreements for the control of admission of immigrants on a basis of complete equality and reciprocity.

In considering the possible alternatives in this regard, Canada will have to steer a course between Scylla and Charybdis. On the one hand, an umbrella restriction on the migration of skilled and professional individuals will not satisfy all countries, especially countries like India and Mauritius, which encourage the emigration of individuals with training and skills whose supply exceeds demand and job openings at any particular time. Furthermore, as a signatory of the United Nations Universal Declaration of Human Rights, which states that "everyone has the right of freedom of movement . . . to leave any country, including his own . . .", Canada supports the right to individual freedom of movement. On the other hand, the preceding exposition has indicated quite clearly that countries have very strong feelings regarding the loss of their valued manpower resources to the developed countries. It would seem, therefore, that the most appropriate course of action for Canada is to maintain its foreign-policy credibility through practical measures that will ensure that the future

course of immigration policy, as well as the nature and structure of Canada's international assistance, with special reference to manpower assistance, do not operate at cross purposes.

### Refugee as reality

Since the beginning of recorded history, the refugee has been a tangible reality of international strife. Discrimination against particular racial, religious or political groups, together with wars, political upheavals, changes in national boundaries, and the rest, has uprooted people and caused them to flee home and country. In many instances, displacement was permanent; the refugee became stateless as well as homeless. It was the massive displacements of population of this century, however, that forced the international community to seek solutions, to protect those who no longer had the protection of a state and to help them resettle elsewhere. Over the years, victims of many different circumstances have been called refugees. For example, displaced or stateless persons, asylum-seekers, defectors, members of oppressed minorities, and victims of natural disasters have at various times been designated as refugees. More recently, however, the eligibility of a person to enter any country as a refugee depends on whether or not he fulfils the United Nations 1951 Convention definition. It defines a refugee as:

any person who, owing to well-founded fear of being persecuted for reasons of race, religion, nationality, membership of a particular social group or political opinion, is outside the country of his nationality and is unable or, owing to such fear, is unwilling to avail himself of the protection of that country or who, not having a nationality and being outside the country of his former habitual residence, is unable or, owing to such fear, is unwilling to return to it.

An integral part of Canada's international relations is the image projected by its refugee policy and programs on the international community of nations. Canada has traditionally been regarded as a nation with humanitarian sentiments. Canada's humanitarian role in accepting large numbers of individuals and families who wished to escape from the intolerable conditions of war, persecution and oppression has been carefully recorded in the migration of refugees. In particular, the period after the Second World War identified Canada as one of the first overseas countries to take positive action to help the displaced and homeless families of war-torn Europe.



Generally speaking, Canada has pursued an active immigration program for resettling refugees since the Second World War. More than 300,000 have been admitted, including many who had no special skills, were in poor health and were socially handicapped. At first, Canada's refugee policies were primarily aimed at helping solve the homeless and stateless plight of individuals and families displaced after the Second World War or those who were forced to flee from Communist-dominated countries. Later, however, refugee policy became broader in scope. Canada acceded in 1969 to the Convention relating to the Status of Refugees sponsored by the United Nations. Although the terms of the convention were originally proposed and accepted by most countries in 1951, Canada was reluctant to accede during the early stages because the stipulation regarding the protection of refugees against expulsion was incompatible with the deportation provisions of Canada's Immigration Act. It should be noted, however, that Canadian refugee policy, even before accession to the United Nations Convention Relating to the Status of Refugees, did comply in practice with both the letter and the spirit of the agreement.

Specifically, no refugee was deported if a threat of persecution existed for an individual upon return to his homeland. Also, all refugees admitted to Canada had immediate access to social, medical and other benefits that generally exceeded the stipulations of the convention.

The mechanics for implementing the terms of the 1951 convention attest to the importance for Canada's external relations of an enlightened refugee status in its territory. Canadian practice, for instance, affords each applicant desiring refugee status an opportunity to have his claim examined in a fair manner with legal guarantees, including the right of appeal. To this end, an interdepartmental committee composed of representatives of the Department of External Affairs and the Immigration Division of the Department of Manpower and Immigration examines applications for refugee status by persons in Canada and subsequently advises the minister in question on whether the persons concerned conform to the convention definition.

Present refugee-selection policy is based on a Government decision made in 1970 that provides for the selection of refugees on the basis of the norms of

*Importance  
of enlightened  
approach  
to refugees*



for the very young immigration is just one of a "number of things", it is something more than that to the adult immigrant. The trunks tell much of the story. The regular immigrant arrives with all the possessions with which he will start a new life packed in a very few containers. He is one of the lucky ones — the refugee immigrant often arrives with nothing but the clothes he is wearing.

assessment set out in the Immigration Regulations of 1967. However, provision is made for the admission of refugees who do not achieve the minimally-required 50 units of assessment under the usual selection factors as long as established information indicates that there is sufficient private or government assistance available to ensure the applicant's successful establishment in Canada.

It is often remarked that Canada's response to major international crises is much better known to the public than the continuing regular refugee program, under which an annual average of 2,000 refugees has been admitted for permanent residence in Canada. This program commenced with the United Nations World Refugee Year in 1959 and continued up to the mid-1960s. On the other hand, international crises requiring immediate attention continue to erupt with characteristic suddenness and unpredictability. Statistics indicate, however, that Canada's response to these crises appears to have been more generous in the 1950s and the 1960s than in the 1970s.

In more recent years, Canadian refugee policy appears to have exhibited considerable restraint with respect to the admittance of refugees. The most recent example is Prime Minister Trudeau's reluctance to admit Rhodesian refugees. Partly responsible have been the special-assistance costs associated with resettling refugees in Canada, particularly during a period of recessionary trends and financial restraints. Over the years, prevailing economic conditions and the special needs of each refugee situation have determined the nature and extent of this Government assistance.

### **Co-operation espoused**

Canadian Government policy on the refugee issue has always espoused close co-operation with national and international agencies in responding to refugee crises. One underlying criticism of Canadian refugee policy, however, has been the theoretical premise that Canada's most potent contribution in providing resettlement opportunities is to concentrate on helping large numbers of people who will require relatively little assistance rather than coming to the aid of small numbers of people requiring substantial economic assistance. Indeed, the statistics vividly reflect this feature of Canadian refugee policy. Approximately 10 per cent of all immigrants admitted to Canada since 1946 were refugees or members of oppressed minorities.

It is commonly considered that the actual and potential number of refugees on

a global basis show signs of increasing rather than abating. Recent wars of liberation, border disputes, tribal conflicts, and internal political upheavals have contributed largely to the temporary or permanent displacement of many thousand of individuals. Thus, Canada's international responsibilities in this area ought to reflect the humanitarian considerations that have been applied in the past. This is particularly important since the only certainty in this avenue of the future is that the prospects for refugee crises will continue. A fundamental requirement in the evolution of future refugee policy would, therefore, require considerable flexibility and speed in responding to international crises in an enlightened and effective manner. It is, indeed, imperative that future refugee policy should be closely aligned with Canada's foreign-policy objectives and on a par with Canada's image as a benefactor among the international community of nations.

### **Overlap**

In conclusion, there is no doubt in the author's mind of the significant overlap between immigration policy and foreign policy. This is particularly true in such areas as international co-operation, foreign aid, issues related to the brain drain, refugee policies, and programs for dealing with global population pressures.

Furthermore, it would seem that future immigration policies will attempt to maintain the balance between the English- and French-speaking communities by encouraging immigrants from French-speaking countries or those regarded as "franco-phonisables". Although these may appear to be creditable policies, caution should be exercised in case such policies are construed as discriminatory and "trigger" sociopolitical pressures from other ethnic groups that may in time lead to further aggravations with international ramifications.

Another immediate sphere of concern is the weakness of international law in dealing with the jurisdictional aspects of international migrations. One of the glaring anachronisms of our time is the failure of the current definition of a refugee to take account of the current circumstances of international strife.

Finally, it would seem to me that it is imperative that we afford due consideration to the international consequences and repercussions resulting from Canadian domestic policies. One hopes that the soon-to-be-proclaimed Immigration Act will deal with the concerns outlined in the foregoing analysis in a satisfactory manner.

*Increased  
restraint  
in admitting  
refugees*



# Growth in economic relations of Canada and the Arab world

by L. A. Delvoie

For some 20 years following the end of the Second World War, Canada's relations with the Arab world were to a large extent a by-product of Canadian interest in the Arab-Israeli dispute. Successive Canadian Governments considered that the dispute, and its periodic eruptions into open warfare, represented a serious threat to world peace and constituted a source of instability and suffering for the countries and peoples of the Middle East. Canada sought, within the limits of its capabilities and resources, to help attenuate the threat and mitigate the suffering. Canada's first significant contacts with Arab countries thus took place within the framework of United Nations efforts to maintain peace and bring humanitarian relief to the victims of the Middle Eastern conflict.

From 1949 onward, Canadian military officers served in Lebanon, Syria, Jordan and Egypt as members of the United Nations Truce Supervisory Organization (UNTSO). From 1956 to 1967, several thousand Canadian military personnel served in Egypt and the Gaza Strip as part of the United Nations Emergency Force (UNEF), in the establishment of which Canada had played a leading role following the Suez crisis of 1956. In support of the humanitarian endeavours of the UN in the area, Canada became, from 1950 onward, one of the major contributors of money and food to the United Nations Relief and Works Agency for Palestinian refugees (UNRWA).

Outside the UN framework, however, Canada's official presence in the Arab world was very modest. Embassies were established in Cairo and Beirut during the 1950s, but they existed less for the purpose of fostering bilateral relations than of monitoring developments in the Arab-Israeli dispute and making known Canadian views concerning these developments to the five Arab governments to which they were accredited (Egypt, the Sudan, Lebanon, Syria and Jordan).

The Canadian Government continues, of course, to maintain a high degree of

interest in international efforts to help resolve the Arab-Israeli conflict, as is shown by Canadian military participation in UN peacekeeping operations along the Syrian-Israeli and Egyptian-Israeli cease-fire lines since the war of 1973, as well as by Canada's continuing support for UNRWA (\$3.2 million in 1975-76). Within the past decade, however, Canada has begun to add a new dimension to its relations with a number of Arab countries, a bilateral dimension that is becoming increasingly evident in the economic domain.

## Policy decisions

This development has occurred within a broad framework of policy decisions taken by the Canadian Government and of new realities affecting many Arab countries. In the mid 1960s, the Canadian Government came to the conclusion that Canada's international development-assistance programs should, among other things, provide "an outward-looking expression of the bilingual character of Canada" and help "contribute to our sense of internal unity and purpose". Since Canada's bilateral economic-assistance efforts had until that time been concentrated almost exclusively in Commonwealth countries, the practical effect of this policy decision was the initiation of aid programs in several French-speaking countries in Africa. It was within this context that Canada established its first substantive bilateral relations with three Arab countries: Tunisia, Algeria and Morocco.

A review of Canada's relations with the United States, undertaken in 1972, led the Canadian Government to adopt a policy whose basic aim "would be, over time, to lessen the vulnerability of the

*Recognition of realities now affecting Arab countries*

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Canadian economy to external factors, including, in particular, the impact of the United States". In addition to measures designed to strengthen the domestic economy, this policy "instances the active pursuit of trade diversification and technical co-operation . . . on a global basis as one means of avoiding excessive reliance on the United States". The most widely-published initiatives taken by the Government to implement this policy relate to the strengthening of Canada's relations with the European Economic Community and to the broadening and deepening of relations with Japan. The policy has, however, been pursued on a world-wide basis and is, in part, at the root of the new economic links that are beginning to be established between Canada and certain Arab countries of North Africa and the Middle East.

### **Expanded representation**

One of the more visible manifestations of the Canadian Government's interest in intensifying its relations with the Arab world has been the expansion of its diplomatic and commercial representation in the area, with the opening of embassies in Tunisia, Algeria, Morocco, Saudi Arabia and Iraq. During the last five years, Canada has also sent numerous economic and commercial missions to Arab countries, including several headed by senior ministers of the Federal Government. This activity has in some measure induced, and been closely paralleled by, a new awareness on the part of Canadian business firms of opportunities for the export of goods and services to the Arab world.

These Canadian initiatives have largely coincided with two important developments within the Arab world. On the one hand, several Arab countries have adopted policies designed to decrease their dependence on one or more major economic partners and to diversify their sources of aid and imports; this trend has become particularly evident in the cases of Algeria, Iraq and Egypt. On the other hand, the financial resources available to many Arab countries for economic-development purposes have increased significantly as a result of the rapid rise in the world price of crude oil; countries such as Saudi Arabia and Iraq have, as a consequence, been able to launch vast new infrastructure and industrial projects. The additional revenues thus generated have also been used to provide financial assistance and development capital to other Arab states less well-endowed with natural resources, as well as to pursue investment opportunities in industrialized countries.

Within this broad framework of political and economic factors, Canada's evolving economic relations with the Arab world can be examined under three main headings — development assistance, trade credits and capital flows.

Canada's bilateral economic assistance to Arab countries has until now been concentrated almost exclusively in the three Maghreb states: Tunisia, Algeria and Morocco. Starting with a few modest programs launched in the late 1960s, Canadian endeavours in co-operation with the three countries have become steadily more varied, and financially more significant. The fields in which the Canadian International Development Agency has sponsored or supported projects include agriculture, fisheries, public health, education and communications; total CIDA disbursements for the Maghreb countries rose from \$14.3 million in 1970-71 to \$23.7 million in 1973-74. A few examples may serve to illustrate the nature of CIDA activities in the Maghreb.

In the agricultural sector, CIDA has participated in the planning of major rural redevelopment schemes for the Kairouan region of Tunisia and the province of Tetouan in Morocco. A loan of \$18 million has been made to Algeria for the construction of grain-storage silos, which will permit that country to stabilize the process of grain distribution and to accumulate reserves. For several years, Canada has supplemented its projects in the agricultural domain with the provision of food aid to the Maghreb countries; in 1973-74 the total value of this aid was \$7 million.

CIDA has underwritten important public-health projects in both Tunisia and Algeria. The one most recently undertaken involves a grant of \$2.7 million for the training of paramedical personnel and nurses at the Public Health Institute in Oran, Algeria; the program is being administered by the Faculty of Nursing of the University of Montreal, and Canada is providing the necessary equipment.

In the field of communications Canada provided 22 locomotives and spare parts to Tunisia in 1973, at a cost of \$9.5 million. CIDA has also participated in the building of power-transmission lines and microwave links in Tunisia.

Canadian involvement in the education sector has also been extensive. CIDA and CUSO teachers have been working for a number of years in Tunisian and Algerian universities, secondary schools and specialized institutions. CIDA has provided funds, personnel and equipment for the creation of a Department of Business Management Training in Algeria, for the training of



agricultural experts at the National School of Agriculture in Morocco and for the establishment of a doctoral program at the Moroccan National Institute of Statistics and Applied Economics. In addition, hundreds of Moroccan, Algerian and Tunisian students and trainees have studied in Canada under CIDA auspices over the last seven or eight years; there were about 150 studying in Canada in 1973-74.

### Beyond Maghreb

Beyond the confines of the Maghreb, the Canadian Government has recently started to study the possibility of extending development assistance and technical co-operation to other Arab countries. Preliminary discussions have already taken place concerning projects that CIDA might undertake in the Sudan, a country whose unused agricultural potential is regarded as being particularly important for meeting not only its own food requirements but also those of many other developing countries in Africa and the Middle East. Similar discussions have also taken place with the Government of Egypt. During his visit to Cairo in January 1976, the then Secretary of State for External Affairs, Allan MacEachen, stated:

"active consideration is being given to the provision by the Canadian International Development Agency of bilateral technical and financial assistance for Egyptian development projects . . . I have invited the Arab Republic of Egypt to send an economic mission to Canada so that officials of both governments may explore the opportunities for development co-operation."

At the same time, the Minister said that CIDA had already been authorized to make a contribution of \$1 million

to the special account of the UNDP for the reconstruction of the Suez Canal region.

Talks have also been held between senior officials of the Canadian and Kuwaiti Governments concerning the possibility of joint co-operation in what has come to be known as "trilateral assistance" — the combining of Canadian technical expertise and Kuwaiti financial resources to assist developing countries. The president of CIDA, Paul Gérin-Lajoie, discussed this subject with representatives of the Kuwaiti Government during his visit to Kuwait in December 1974; he described these conversations as "very positive".

### Growth in trade

From admittedly modest beginnings, Canada's trade with the Arab world has in recent years grown remarkably. The total value of Canadian exports to Arab countries increased by more than 1,000 per cent between 1969 and 1974, as is illustrated in Table A.

Canada's exports have so far consisted largely of agricultural products (wheat, wheat flour, barley, sugar) and semi-processed raw materials (lumber, wood pulp, metals). Inroads are, however, progressively being made into markets for manufactured goods and, in 1974, approximately half Canada's exports to Saudi Arabia, Kuwait, Jordan, Libya and the United Arab Emirates consisted of manufactured products — engines, construction machinery, automobiles, heating and refrigeration equipment, telecommunications equipment, etc. It seems likely that this trend will continue in the near future. For example, Canadian firms recently secured contracts for the sale to Iraq and Egypt of some 75 locomotives, valued at approximately \$40 million. Promising negotia-

**Table A**  
**Canadian exports**  
(in millions of dollars)

Country	1969	1974	1975
Morocco	1.46	2.49	18.97
Algeria	2.94	152.84	100.55
Tunisia	2.58	9.67	9.35
Libya	2.36	5.78	22.66
Egypt	2.94	13.91	6.56
Sudan	.49	2.66	4.16
Lebanon	3.57	44.54	40.55
Jordan	.64	3.51	2.43
Syria	.90	13.78	4.74
Iraq	2.74	18.90	67.60
Saudi Arabia	3.61	17.50	34.85
Kuwait	1.70	4.82	16.07
Yemen PDR	.01	5.78	6.51
Qatar	.15	3.51	1.54
United Arab Emirates	—	3.80	4.65
Totals	26.09	303.49	341.19

tions are currently going on for the sale to Arab countries of a wide variety of manufactured items, such as aircraft, generators, agricultural equipment and prefabricated housing.

What does not appear in the trade statistics, of course, is the value of exported services. Yet this, too, is a sector in which there has been greatly-increased Canadian interest and involvement in the Arab world in recent years. An illustration is the contract obtained by a Canadian company to design and supervise the construction of the King Abdul Aziz University in Riyadh, Saudi Arabia; the capital cost of this project is expected to reach \$1 billion. Other examples include contracts awarded Canadian firms to build a cement factory in Algeria, design and construct a shoe factory in Baghdad, expand a pulp-and-paper mill in Basra, and provide engineering service for a gas-liquification plant in Dubai.

The value of Canada's imports from Arab countries, principally imports of crude oil, also increased very substantially between 1969 and 1975. Table B illustrates the upward surge of Canadian imports from the main Arab oil-producing countries.

It is worth while noting that, in 1975, the Arab countries collectively became Canada's largest source of imported crude oil, outpacing Venezuela and Iran.

The expansion of Canadian exports to the Arab world has been greatly facilitated as a result of the dynamic interest displayed in the area by Canadian financial institutions, both governmental and private. Nowhere has this interest been better exemplified than in the case of Algeria, which has become Canada's largest export market in North Africa and the Middle East. In 1973, Canada concluded a bilateral agreement with Algeria for a \$100-million line of credit funded chiefly by the Canadian Government's Export Development Corporation (EDC) and by Canadian chartered banks; this line of credit had been entirely committed by mid-1975.

The chartered banks have also provided substantial loans to the Algerian national petroleum company SONATRACH, and have recently supplied a credit of \$2 million to finance the purchase by Algeria of mobile housing units manufactured in Canada. Although on a much more modest scale, the EDC and the chartered banks have extended similar credit facilities to other Arab countries, most notably Egypt.

### Surpluses

If credits are necessary to finance exports to some Arab countries, it is also true that other Arab nations have large surpluses of capital derived from oil exports (popularly known as "petro-dollars"), which they wish to invest abroad. Canadian public and private institutions have not been slow to avail themselves of these sources of investment capital. Although the confidential nature of these transactions makes it difficult to estimate with any accuracy the amounts involved, occasional press reports do provide some clues as to the magnitude of the flow of Arab capital into Canada. For example, in a feature article on this subject published last year, *Maclean's* magazine stated:

"The word in the investment and banking communities is that Arab oil money is very much a factor in the Canadian economy. More than \$1.5 billion have been invested here during the past 18 months and investment bankers are hoping for at least that much again in the next 12 months."

Other reports indicate that provincial public utilities alone sold more than \$500-million worth of bonds in the Arabian Peninsula in 1974-75. Whatever the exact amounts involved, it seems clear that some of the Arab oil-producing countries are emerging as supplementary or alternative sources of capital for Canadian enterprises, thus reducing to some extent Canada's traditional dependence on the money markets of the United States.

The types of opportunity and challenge the Arab world will offer the Cana-

*Expansion  
facilitated  
by interest  
of financial  
institutions*

**Table B**  
**Canadian imports**  
(in millions of dollars)

Country	1969	1974	1975
Libya	8.87	30.55	36.15
Iraq	8.33	36.67	133.95
Saudi Arabia	26.75	318.90	746.71
Kuwait	6.07	64.72	110.52
Yemen PDR	.40	106.67	196.65
United Arab Emirates	—	84.72	140.58
Totals	50.92	642.23	1,358.56



ian business community in the years ahead can perhaps best be illustrated by quoting the comments made to a Canadian journalist by a senior Iraqi official, Dr. Salah Kachichi, Director General of Industrial Development in the Ministry of Planning:

"We welcome Canadian firms in our development efforts. We want them to compete in our tenders. We want to buy their capital goods, technical know-how and managerial services. Dams, mining, electrical output, engineering industries, buildings, transportation and large civil engineering projects are only some of the fields in which Canadians should do well . . . It will not be easy. You will have to compete with firms from other countries on your own merit. But Iraq has an enormous potential. We are determined to cooperate with the East and the West to pursue development at as fast a pace as possible."

It is, of course, difficult to quantify the potential of the Arab countries as an export market for Canadian goods and services in the short and medium terms. Differences in the planning cycles of the countries concerned, price fluctuations on world commodity markets, and a host of other factors all tend to make forecasting a rather hazardous business; only the broadest of estimates are available at this time. One such estimate suggests that the countries of the Arab world will import some \$950-billion worth of goods and services during the decade 1975-85; if Canada were to retain its current share of this market (1 per cent), the value of Canadian exports would reach \$9.5 billion over this period, or approximately \$1 billion a year averaged out over ten years.

This in itself would make the Arab world a significant export market for Canada. However, there is reason to believe that Canada can augment its share of the market, since: (a) Canadian firms are constantly acquiring more experience and expertise in doing business in Arab countries; (b) the Canadian Government is now devoting far greater resources than in the past to trade promotion in Arab countries; and (c) steps are being taken to help Canadian firms compete with larger international corporations to secure contracts for major projects, especially "turn-key" projects, requiring wide ranges of skills and important outlays of capital (e.g., the recent creation of the Centre for Joint Ventures in the Department of Industry, Trade and Commerce).

During his visit to the Middle East earlier this year, Allan MacEachen spoke of "the declared policy of my Government to strengthen and expand Canada's relations with this region of the world". The process of strengthening Canada's economic relations with the Arab world is already off to a good start, and the future appears to hold considerable promise. The Arab countries seem likely to become increasingly important to Canada as trading partners, and as sources of essential energy resources and of investment capital. Canada, for its part, will probably take on added importance for the Arab countries, both as a trading partner and as a source of technical and economic co-operation. In short, prospects appear good for the consolidation and progressive expansion of mutually-beneficial bilateral economic relations between Canada and the countries of the Arab world.

*Arab countries  
will increase  
in importance  
to Canada*

## Hurtig challenged...

Sir,

May I address a few questions to Mel Hurtig about his article ("The sharing has been done: now we need equitable dividing") in the U.S. Bicentennial Special Issue of *International Perspectives*. How does he reconcile his description of the contemporary Canadian mood as one of "maturing confidence" with his fear, bordering on panic, that "the world's foremost branch-plant economy" is on the brink of bankruptcy because of its "disastrous economic relations with the U.S."? We now have a problem, he whines, that "we simply cannot manage". Poor Canada!

The primary cause of Hurtig's alarm is the substantial outflow to the United States of interest payments, dividends, and "service charges". On the other hand, he persists in complaining that foreign-controlled firms have the nerve to reinvest a portion of their earnings in Canada. *What does he want?* Should these firms compound Canada's imbalance of payments by sending all their profits home? Or should they be retained in Canada, thus augmenting foreign ownership of Canadian industry?

If Hurtig were concerned to maintain a sense of proportion, he would speak in terms of proportion instead of bewildering billions. Has he not heard of growth? or inflation? The current outflow of interest and dividends is certainly formidable. As a proportion of Canada's gross national product, however, it has declined from 2.6 per cent in 1950 to 1.7 per cent in 1975; prior to 1930, the proportion exceeded 4 per cent. The cost of foreign investment has indeed increased but less than Canada's capacity to pay.

Similarly, while American investment in the Canadian economy continues to grow in dollar terms, it has declined both as a proportion of foreign investment in Canada (from 84.3 per cent in 1955 to 79.4 per cent in 1973) and in relation to Canada's GNP (from 27.5 per cent in 1960 to 21.9 per cent in 1973); as a proportion of total corporate investment (excluding financial institutions), American control has decreased from 29 per cent in 1969 to 27 per cent in 1975.

Hurtig complains that Ottawa is still facilitating the growth of foreign control by actively promoting "foreign direct investment". Has he not noticed that direct investment entering Canada has dropped dramatically? Indeed, in 1975 there was a net outflow from Canada of \$205 million, and this is expected to double in 1976.

Where does Hurtig get the idea that the Economic Council of Canada has ignored "the 'Canadian' manufacturing industry's 22-percent-behind-the-U.S. productivity gap"? The 22 percent figure is the very one calculated and publicized by the Council, and much of its recent work has been concentrated on means to reduce the gap. Hurtig might try reading, for example, *Looking Outward*, the Council's challenging study of Canada's commercial options. I'm relieved that he does not propose a hike in Canada's relatively high tariff structure, our inheritance from earlier generations of economic nationalists that goes far to explain the foreign control over Canadian manufacturing, the miniature replica syndrome and the low productivity that Hurtig, rightly, strongly deplores. But why does he not endorse the Council's free-trade approach to increased productivity? Or at least give us his own recipe for the increase in "domestic efficiency" that he deems essential?

Most of Hurtig's figures are reasonably accurate. Even if the situation is not quite as desperate as his statistics have been selected to suggest, Canada certainly faces a severe balance-of-payments problem. Nor can it be denied that non-residents, mostly American, control about 10 per cent of Canada's total wealth, and nearly a third of its business activity. Where Hurtig's article is deficient is in evidence to support his apparent belief that all of Canada's economic woes are caused by the level of foreign ownership.

While I have pen in hand, may I make a few comments and clarifications on my own article ("The United States: good friend and benevolent neighbour") which appeared in the same issue. The following statement should have been appended to it:

"The interviews were conducted as part of the Canadian International Image Study directed by Roddick Byers, Thomas Hockin, David Leyton-Brown and the author. All the interviews in the foreign capitals, and over half the interviews in Ottawa, were conducted by me, and my colleagues bear no responsibility for the preliminary conclusions drawn in the article. These may be modified after careful analysis."

If I were rewriting the article, I would note that the foreign experts, although representing a good "mix" of developed and underdeveloped countries, aligned and non-aligned, could not be selected as scientifically as was the Canadian élite, and they were



ly asked the questions from the major study that deal directly with Canada. I could also add that only a minority of the foreign élite could see a significant difference between Canadian and American values or interests, but a substantial majority perceived Canada as an independent actor in the international system. Indeed, the foreign experts appear to rate Canadian independence more highly than do their Canadian counterparts.

Peyton V. Lyon

## Hurtig responds...

I am sorry that billions bewilder Peyton Lyon. Apparently elementary economics do cause him problems. I will do my best, though, to answer his questions briefly and without resorting to large numbers. However, first I must thank him for conceding that most of Hurtig's figures are reasonably accurate". The compliment really belongs to the Department of Finance, the U.S. Commerce Department and Statistics Canada, from which all of my figures are derived.

Contrary to what Professor Lyon would have us believe, foreign ownership and foreign control of the Canadian economy have been growing at record rates during the last few years. Nineteen seventy-five and 1976 both break all previous records. For years now, *imported* new foreign direct investment has been relatively small. *But* foreign direct investment through funds generated *in Canada* has been massive. Even these amounts are badly understated when measuring foreign *control* rather than foreign ownership or reported foreign investment. CALURA (the Corporations' and Labour Unions' Return Act) regards foreign-controlled corporations as being owned 50 percent or more by non-residents. The U.S. Department of Commerce uses 25 per cent for its figures and has recently begun gathering data based on 10 percent foreign ownership. Hence CALURA's annual report of the enormous increases in foreign ownership and control, ominous as they may be, are in fact badly understated.

For some reason Lyon ignores "service charges" in his third paragraph. This makes his percentages meaningless. Much more than interest payments, and more than dividends, what hurts is the monkey-business "service charges" and costly parent-subsidiary transfer-pricing. These costs to Canada have been going uphill like a historical graph of the world population, and "Canada's capacity to pay" them is in grave jeopardy. Finally, the balance-of-payments crisis we now face as a result will mean higher unemployment, higher taxes, higher interest charges than necessary, and a reduced standard of living for Canadians.

As to the Economic Council of Canada, I thank Lyon for suggesting I read *Looking Outward*, which my friend Bruce Wilkinson, Chairman of the Department of Economics at the University of Alberta, describes, in his characteristic temperate manner, as "full of holes". I have, in fact, myself studied the document and know full well why the Peyton Lyons of Canada would find it attractive. Most continentalists would.

There is indeed a new "maturing confidence" in the people of Canada that we can begin to do things better with less foreign ownership and control. I find this in every province and every region of Canada. It is reflected consistently in national public-opinion polls (71 per cent against more foreign ownership), by an *increasing* margin every year. There is, though, a great lack of confidence in the kind of debilitating lying-on-our-back policies so long in force and so attractive to the likes of Professor Lyon.

He asks for my own "recipe" to correct our problems. I would be happy to oblige at that would require more than the few paragraphs the editor has now invited. For readers who might be interested I should be happy to send copies of a forthcoming article about the kind of commonsense policies employed by most other countries to protect their national integrity and maximize their productivity and welfare. My address is 560 - 105 St., Edmonton, Alberta.

Mel Hurtig

# Reference Section

## Publications of the Department of External Affairs

Under this heading will be found a list of the most recent publications of the Department of External Affairs dealing with international affairs and Canadian foreign policy.

*Press Releases*, issued by the Departmental Press Officer, Department of External Affairs, Ottawa:

- No. 100 (September 24, 1976) Visit of Vice-Minister of Foreign Affairs of Socialist Republic of Vietnam.
- No. 101 (September 24, 1976) Canadian delegation to thirty-first regular session of United Nations General Assembly.
- No. 102 (September 27, 1976) Establishment of Canada-Israel economic committee — joint communiqué.
- No. 103 (October 1, 1976) Visit of Foreign Minister Dimitrios Bitsios of the Hellenic Republic, October 4 and 5, 1976.
- No. 104 (September 30, 1976) Entry into force of agreement for commercial and economic co-operation between Canada and the European Communities.
- No. 105 (October 7, 1976) Canada-Belgium cultural agreement: second session of Mixed Commission.
- No. 106 (October 8, 1976) Canada/United States consultations on bilateral energy issues.
- No. 107 (October 12, 1976) Manitoba singers Gerry and Ziz tour Africa.
- No. 108 (October 12, 1976) Chicago Diversion.
- No. 109 (October 13, 1976) Renewal of Canada-China trade agreement.
- No. 110 (October 13, 1976) Visit of Secretary of State for External Affairs to Washington.

No. 111 (October 14, 1976) Visit of Secretary of State for External Affairs to Paris.

No. 112 (October 20, 1976) Canadian delegation to nineteenth UNESCO General Conference.

No. 113 (October 18, 1976) Visit to Canada by Minister of Foreign Affairs and C of operation of Rwanda.

*Reference Papers*, published by the Information Services Division of the Department of External Affairs, Ottawa:

No. 69 The Department of External Affairs (Revised August 1976)

No. 95 The Commonwealth. (Revised October 1976)

*Statements and Speeches*, published by the Information Services Division, Department of External Affairs, Ottawa.

No. 76/23 Canada and Australia Expand the Untroubled Relations. An address by the Secretary of State for External Affairs, the Honourable Allan J. MacEachen, in Canberra on September 1976.

No. 76/24 Canada Pledges Continued Support for the World Organization. An address by the Secretary of State for External Affairs, the Honourable Donald C. Jamieson, New York, September 29, 1976.

No. 76/25 Canada-Indonesia Dialogue Star Well. A speech by the Secretary of State for External Affairs, the Honourable Allan J. MacEachen, Jakarta, August 25, 1976.

No. 76/26 Arms Control and Disarmament. A speech by Mr. R. Harry Jay, New York, November 5, 1976.



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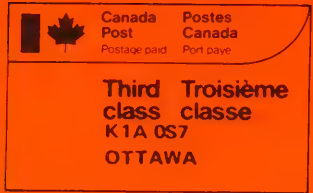
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# International Perspectives

A journal of opinion on world affairs



United States Bicentennial:

Sharing the continent

Our common heritage

Canada's neighbour





# International Perspectives

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Special issue 1976

### United States Bicentennial

Preface/*Allan J. MacEachen*

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# Foreword

Canada's 1967 Centennial celebrations gave an important stimulus to the forces of renewal in our country, and I am pleased to see that this year's Bicentennial celebrations in the United States are generating a similar spirit of rededication to the values that motivated its founding fathers.

A unique combination of intellectual innovation, technical ingenuity, economic dynamism and commitment to democracy has enabled the United States to make an immense contribution to the development of mankind during the past two centuries. I have no doubt that over the coming years the United States will continue to play a positive and dynamic role in international affairs and, more generally, in the progress of civilization.

The close relationship that exists between our two countries was not achieved easily or overnight. It is a product of the sustained effort of reasonable men to seek acceptable solutions to what often seemed initially to be intractable problems. Today we are able to pursue our respective interests with the understanding that comes from years of friendship and mutual accommodation.

This special issue of *International Perspectives* is but one element of the tribute Canada is making to the United States for its Bicentennial. It would have been insufficient to have produced a birthday card offering only good wishes. Rather, and in keeping with the magazine's policy of offering an opportunity for the presentation of varying views, the editors have sought to bring together the commentaries of a number of Canadians on the United States and the relationship between our two countries.

The first group of articles deals with the question so often uppermost in Canadian minds of how we can share a continent with our giant neighbour. The second group explores some aspects of our common heritage, and the third examines a few of the questions facing the United States today. It is my pleasure to introduce them with this foreword.

We in Canada welcome the opportunity to contribute to and share in our neighbour's two-hundredth birthday as did the United States in our Centennial nine years ago. It is my privilege to use this occasion to extend sincere birthday greetings from the Government and the people of Canada to the Government and the people of the United States of America.

A handwritten signature in dark ink, reading "Allan Rock". The signature is fluid and cursive, with the first name "Allan" and last name "Rock" clearly distinguishable.

*Secretary of State for External Affairs*





# Third Option can work well for both Canada and the U.S.

Ambassador's viewpoint

by J. H. Warren

The article on Canada-U.S. relations by the then Secretary of State for External Affairs, Mitchell Sharp, published in this journal three-and-a-half years ago, was the first attempt in many years to articulate in some detail official Canadian policy in our relations with the United States. In view of the pervasive importance of this relationship in almost every part of our national life, it is perhaps strange that this should have been so. Some critics of the Government's 1970 review *Foreign Policy for Canadians* certainly thought so; one of the most frequent criticisms was that it contained no analysis in depth of so critical an element in our foreign policy as Canada-U.S. relations. Was it enough, many commentators asked, simply to identify as an important national challenge the problem of "living distinct from but in harmony with the world's most powerful and dynamic nation, the United States?"

The fact is that only rarely have Canadians thought seriously of having a policy relative to the United States. In the early years of the new American Republic, our relations derived from the results of the Revolutionary War; our distinctness, and even a certain degree of hostility, were almost taken for granted. The War of 1812 now seems remote in our past and the Fenian raids and major border disputes as the West was opened have also tended to fade into history. For most of the past 100 years the infrequently-examined premise underlying the way we thought of our relations was that the natural tendency of our two countries would be to co-operate, to settle problems individually as they arose, in a practical and business-like way. As Mr. St. Laurent, then Secretary of State for External Affairs, put it in 1947: "Like farmers whose lands have a common concession line, we think of ourselves as settling, from day to day,

questions that arise between us, without dignifying the process by the word 'policy'."

*Nous avons changé tout ça!* — or have we? After almost four years, it is perhaps fair to take a look at some of the ways in which our relationship with the United States has or has not been changed by the Government's adoption of the last of the three options put forward in "Options for the Future". Having examined the case for the only two other options considered realistic — continuing as before or actively seeking closer integration with the United States —, Mr. Sharp's article came down on the side of what has since become known simply as the "Third Option", which called for "a comprehensive long-term strategy to develop and strengthen the Canadian economy and other aspects of our national life and in the process to reduce the present Canadian vulnerability".

## Greater self-assertion

The choice of this option implied policies of greater self-assertion by Canada in the conduct of our foreign policy. It should perhaps be remembered that the American view of our relationship was, in a sense, developing along parallel lines at the same time. When President Nixon went to Ottawa in 1972 and endorsed the premise that mature partners must have autonomous, independent policies, he was not just recognizing Canada's obvious right to independence; he was also proclaiming American independence from special obligations towards Canada.

---

*Mr. Warren is Canadian Ambassador to the United States. A former Deputy Minister of Industry, Trade and Commerce, he was High Commissioner to Britain before assuming his present post.*

The Canadian Embassy in Washington is perhaps not the best place from which to assess the degree to which the Government has been consciously applying the Third Option in individual policy decisions and to what extent such decisions have simply reflected the ordinary play of political and economic forces in our changing and growing society. It seems obvious, nonetheless, that a number of decisions – to withdraw from the Canadian editions of foreign-owned magazines (e.g. *Time*) tax status originally intended to support only genuinely Canadian publications, to require screening of takeovers and certain other categories of foreign investment in Canada and to seek to develop a “contractual link” with the European community, for instance – do reflect the same thinking that led the Government to conclude, on a more philosophical plane, that the Third Option was the correct one.

### Focal point

It is surely also true that this statement of objectives in our relations with the United States, once formulated and accepted, has provided a focal point to which a great number of individual issues can be and have been related. It has become customary to ask ourselves not only whether a proposed course of action is sensible or desirable when considered in isolation but also how it fits with the broader and longer-range objectives for Canada formulated by the Government. This does not mean that such considerations never before entered into policy-making, but the fact that we have in some detail defined where we want to go in our relations with the United States obviously makes it easier to think about our approach to individual issues in a broader context.

The Third Option is not, of course, nor was it intended to be, a detailed prescription for every element in Canada-U.S. relations. The Canadian Embassy in Washington is particularly conscious of the fact that, whatever conceptual framework may be chosen, our relations do involve a multitude of practical, day-to-day encounters, most of which go smoothly and take place in the private sector and never hit the headlines. With such a variety and multiplicity of moving parts in our relationship and with two separate national jurisdictions providing the backdrop, it is not surprising that there should be occasional points of friction – even a burnt-out bearing now and then. On this level – and it is the level at which the majority of Canadians become aware of Canada-U.S. relations – our policy, wheth-

er or not the Third Option, can only be a framework or way of approaching the relationship, not a fully-developed blueprint.

While any Canadian Government in power over recent years would have been expected to act, and no doubt would have acted, to protect Canadian energy resources (where the essence of our policy in fact, goes back to the beginning of this century), the Third Option does provide a guideline against which such decisions are now considered. Any Canadian Government might well have decided that because of our own needs, it had become necessary to phase-down oil exports to the United States and that it was essential to defend the Canadian interest, in particular cross-border environmental issues. Acceptance of the Third Option, however, provided a general rationale for so doing and made it less respectable to argue for continental solutions to problems involving both countries. The Third Option seems to have given expression to the aspirations of Canadians for a greater sense of identity *vis-à-vis* the United States and may well have proved self-fulfilling in encouraging them to achieve it.

What the Canadian Embassy in Washington is well placed to help assess is whether or not our choice of the Third Option and the policies deriving from it have caused a reaction in the United States or a change in the American perception of Canada that has created or will create a deterioration in our relations. The short answer is that our choice has not led, and need not lead, to any deterioration in the intergovernmental relationship as long as Canada is not perceived, as Secretary Kissinger put it in Ottawa, as defining itself in opposition to the United States.

### Nationalist dilemma

This touches, of course, on one of the fundamental dilemmas and recurring temptations that face spokesmen for Canadian nationalism. The dilemma is that of identifying, emphasizing and encouraging Canada's positive distinctness from our neighbour, ally and friend without being or becoming anti-American – which, in my view, the vast majority of Canadians are not. The temptation is to seek support for nationalist positions or to urge the adoption of policies not for the often valid Canadian reasons that lie behind them but because of their supposed anti-American appeal. If spokesmen for Canadian nationalism attribute anti-American motives to Canadian policies at home, then they will be seen that way in the U.S.A.

*Individual issues  
now placed in  
broader context*





*U.S. Secretary of State Henry Kissinger made a two-day official visit to Ottawa last October. He is shown here with Secretary of State for External Affairs Allan J. MacEachen. During the course of the visit both men acknowledged that, while the era of special relations between the two countries might have ended, the relation was nonetheless "unique".*

There is, of course, the danger than an accumulation of Canadian policy decisions having an adverse effect upon private or public American interests would be seen as anti-American even if not intended to be so or presented as such. There is probably no absolute protection against this danger; Canada is bound to find it necessary from time to time to take actions in defence of Canadian interests that do not please the United States, and there can be no guarantees that these will always be evenly spaced at relatively painless intervals. What we can do to mitigate this danger is to ensure, so far as possible, that we have an effective early warning system through which we can identify stormy seas that may lie ahead along our chosen course and bring into play the process of timely information, consultation and negotiation. This may not resolve all problems — there will be some in which the interests of the two countries are simply incompatible — but it should make for comprehension, if not understanding, and place such issues in the proper perspective of the national imperatives that dictate them. For the rest, I see no reason why commonsense practical solutions cannot continue to be

worked out for the myriad questions that are the day-to-day fare of what is perhaps the largest interaction between any two countries in the world.

This prescription applies to both sides of the relationship, of course, but it is interesting to note that it is as likely, these days, to be Canadian policies as American that cause problems in our bilateral relations — a change, certainly, from the prevailing pattern of the 1950s and 1960s, or even of four or five years ago. There are obviously still many American actions that have great (and not necessarily intended) impact on Canada, but more of the issues between us now have a "made-in-Canada" label. In the energy field, for instance, the problem is no longer that the United States declines to increase its purchases of Alberta oil! It is Canada that has found it necessary first to raise its export price for crude oil to keep pace with the skyrocketing international price it must pay for imported oil, and then to begin phasing out its exports to the United States altogether. Neither move could be said to have been popular in the United States, and there are no doubt some Americans even now with whom the incorrect image

*Canadian policies  
cause problems  
as often as  
American*

of Canadians as oil-rich robber barons still lingers.

It has required intensive and continuing efforts to make Americans aware just why it is that we have had to take these steps. In so doing, one advantage that we continue to have is that officials, editors and Americans in general are usually willing to listen to our point of view, and sometimes even to be persuaded by it. As a State Department official once put it, Canadians and Americans approach problems in much the same way; we may reach different conclusions, but the way in which each of us has come to our conclusions is usually understood by the other. It is this sort of possibility of mutual comprehension that may make lying in bed with an elephant less hazardous than is generally supposed.

### General understanding

In our energy relations, then, there is now at the official level pretty general understanding of Canada's position; the principles that lie behind our oil-export tax and the phasing-out of exports are not in dispute, even if there may still be some argument on the details of implementation. It is recognized that we can hardly be expected to sell our oil at a lower price than we pay for the increasing quantities we must import; nor do Americans really challenge the proposition that we can only export the surplus that remains when our own needs have been met. And more and more of them now realize that Canada has become a growing net importer of oil.

As far as bilateral issues relating to the environment are concerned, there is also no disagreement in principle, although the balance between environmental constraints and other needs does not always come out in the same place for the two countries. Nor, for that matter, do all Americans (or Canadians) agree on what this balance should be. We are not without allies on such issues as tanker-routes along the West Coast or the Garrison Diversion Project in North Dakota. And those Americans concerned about the possibility of coal-mining along the Flathead River in southern British Columbia because of the environmental damage that might be done in Montana certainly have supporters on the Canadian side of the line.

Much more sensitive issues, by their nature, and more likely to arouse concern in the American business community and among the public at large, are those that they may see as having overtones of discrimination, unfairness and government interference in areas most Americans are

accustomed to think of as the private domain of "free enterprise". Here again we can rely on a measure of willingness to listen to our point of view or (as with the Foreign Investment Review Act and its machinery) to suspend judgment until it is clearer what Canada is actually doing.

### Misunderstanding

We cannot lose sight of the fact that government regulations affecting the way foreign interests may do business in Canada can be a source of misunderstanding, concern and even resentment on the part of the businessmen affected — especially if they interpret them as being directed against American enterprises in particular. This can hardly be a decisive consideration in determining Canadian policies but, given the importance of foreign investment in Canada and our recognition of the need for it, we must obviously keep in mind that ground-rules for foreign investment in Canada are most likely to be sympathetically received when they are clear and when the policies are presented in ways that will not unnecessarily give rise to charges of unfairness and discrimination. All this is part of the task of managing our relations in a way that will safeguard the interests we see as vital, allow us to grow in our own way and help to deal with some of the inevitable points of real difference. In our relations with the U.S.A. we seek not to magnify the usual run of bilateral issues into tests of national will but rather to achieve practical and workmanlike solutions, saving our most forceful presentations for the occasions when *fortissimo* is called for in the orchestration of our point of view and when the issues are vital to the preservation or advancement of our national interest.

There will, of course, be occasions when the United States has felt obliged to act, domestically or internationally, in ways that run counter to our interests and thus generate resentment in Canada. This should not be surprising; we cannot expect the Americans to accept the fact that our decision-taking process will from time to time yield results unattractive to them without ourselves accepting the same phenomenon in reverse.

Formulated at a time when President Nixon's economic measures of August 15, 1971, were very much alive in our memories, the Third Option emphasized "the present Canadian vulnerability". It is too soon to assess to what degree policies designed to lessen Canada's vulnerability to external factors have achieved their objective. Certainly, the U.S. Government is now far more sensitive to our concerns.

*Similar approaches but different conclusions*

*No disagreement in principle on environment*



he fact, nonetheless, remains that our prosperity and defence remain intimately linked with the prosperity and defence of the United States, and this will continue to be the case.

Most of the world is affected by the health of the American economy; the Canadian economy is intermeshed with it in so many important ways that we are affected most of all. Nor is it only economic trends that have their influence in Canada; our societies are so close in so many ways that developments in the United States in almost any area are bound to have some effect in Canada – even if it is only that we react to them. This is quite apart from conscious efforts on the part of the United States to influence us. Naturally there are such efforts from time to time, just as we ourselves try, from time to time, to influence the United States. On neither side has this led to expectations of anything less than the vigorous pursuit of our respective national interests; neither of us confuses the other with Santa Claus.

What there is on both sides, most of the time, however, is a general expectation that, as North Americans and allies, as people both of whom have subdued a wilderness and as countries committed to a liberal democracy, we shall see things more or less the same way, that we share most of the same basic values. This is not always true, but it would surely be to Canada's disadvantage if negotiations on specific issues started from the premise that our positions were necessarily antagonistic.

Similarly, it should not be forgotten that Canada's interests are often well served in a multilateral context by our working in close co-operation with the United States. This does not mean that our policies are, or should always be, the same, but they will often be similar, or at least complementary, when our objectives are basically the same. By working together in the United Nations and its agencies, in the International Energy Agency, and in world financial and economic organizations, we can help bring Canadian goals we share with the United States closer to achievement. And, on an increasing range of issues, the U.S. welcomes our support in the furtherance of those objectives on which we hold similar views. This need not, and does not, mean that we cannot take different positions from those of the United States when our perceptions or our interests are different. Canadians are alert to the danger that we may be seen by other countries as no more than an appendage of the United States. But if Canadians think that such a posture for Canada is an objective of the United

States, I think they are wrong. The U.S. accepts that there are valid North American views other than its own. It welcomes the Canadian voice in world councils both when we agree and when, in the course of seeking wise solutions to international problems, we may from time to time disagree. It should be a commonplace of international affairs in this complex and interdependent world that no one country or group of countries has a monopoly of the right answers. We need each other's ideas more and more. This is true for Canada as it is for the States.

Not very many of those Americans who think about Canada these days are "continentalists" in the earlier over-simplified sense, however much they may urge greater co-operation or sharing of resources in certain specific areas. There is considerable understanding of our determination to preserve Canada's independence and distinct national personality, and growing recognition of the value to the United States of our doing so. There is no significant body of American opinion suggesting the transformation of Canada into a carbon copy of the United States. America today is a society seeking to rediscover the mainsprings of its heritage, the original inspiration of its cherished way of life. It seeks renewal within its own borders and more pragmatic and mutually accommodating relations with other countries. In our determination to assert our independence, therefore, we should not forget that we may sometimes be pushing against an open United States door, so long as our conception of independence is not founded on anti-Americanism for its own sake.

*A society  
in search of  
mainsprings  
of its heritage*

### **No other choice**

Looking back three and a half years to the formulation of our Third Option, it hardly seems reasonable that we could have made any other choice. Far from heralding a deterioration in Canada-U.S. relations, it has been followed by a perceptible and genuine improvement. We are now working more on the basis of realities, not illusions. There are still problems, of course. There always will be in a relationship as intimate and varied as that between Canada and the United States. But they are on the whole different from and less abrasive than those that made up the list in 1972, and none of them appears incapable of solution.

One of the fundamental challenges in our relations is that we recognize, on both sides, the inevitability of occasional conflicts in our national interests and policies. A second is to manage our relations so that

*Canadian  
evolution  
need not fear  
relations  
with United States*

unimportant issues are not allowed to get out of hand and our efforts are concentrated on resolution of the problems that really matter, acknowledging them on both sides for what they are, and avoiding the temptation of reading into our disagreements any wider hostility. If we can do this, if we can conduct our relations in a spirit of co-operation and work together towards the many goals we share while holding fast to what we see as our own vital interests, there is no reason to fear that relations with the United States will constrain the further evolution of Canada's identity. But this, of course, presumes that the Canadian sense of identity continues to allow for the fact of living together in North America and reflects a reasonable sensitivity to the interests of our neighbour to the south.

In the field of foreign affairs it is to be remembered that the diversification of Canada's foreign relations as an element in implementing the Third Option is

designed to supplement our relation with the United States, not to supplant them. This idea has been accepted by the U.S. Administration as natural for a country of Canada's stature — always provided that the thrust of such diversification is not anti-American or its application discriminatory.

The relationship of Canada with the United States is more important to us than that with any other country. If it is no longer "special", in the sense of a quasi-automatic willingness to adjust policies to take account of the other's interests, it is certainly without equal elsewhere in its scope, depth, pervasiveness, complexity and intimacy. The Third Option both recognizes and responds to the uniqueness of this situation.

In today's world, I think that most Americans would ask nothing better than to live "distinct from but in harmony with" their Canadian friends and would readily concede our right to do the same.

### *Sharing the continent*

## The sharing has been done: now we need equitable dividing

### *A nationalist's formula*

By Mel Hurtig

There are three serious problems for the future of Canadian-American relations: not the takeover of Saskatchewan potash, not the protracted demise of the Canadian edition of *Time*, not the border television dispute, not the Foreign Investment Review Act, not the Auto Pact, not the projected Mackenzie Valley pipeline or increasing Canadian natural-gas prices or decreasing oil exports. All these are comparatively lesser problems, all are symptomatic of the real difficulties. The basic problems have been around for a very long time, but, for a number of reasons, only recently have they caused much friction

between the U.S. and Canada. Things are likely to get worse before they get better. Unless there are some important changes they could get much worse.

Here are the three serious problems:

- (1) an unfortunate ignorance about Canada on the part of U.S. politicians, policy-makers, businessmen, and the population in general, largely owing to indifference, but also because of
- (2) the failure of the Canadian Government to understand, to respond adequately to and to interpret to non-Canadians the reasons for the changing mood in Canada, much of which stems from the dawning realization of
- (3) the debilitating economic results, for Canada, of the kind of "continent-sharing" we have engaged in for the past quarter of a century.

---

*Mr. Hurtig is president of Hurtig Publishers and a former chairman of the Committee for an Independent Canada. The views expressed are those of the author.*



Let me deal with the third item first. Canadians simply cannot afford to continue the same type of economic relations with the U.S. they have maintained during the last 25 years. During this period we have had a whopping deficit of some \$30 billion in our balance of goods and services with the U.S., and a deficit of over \$6 billion in our merchandise trade. At the same time, U.S. ownership and control of Canadian industry and natural resources has increased by tens of billions of dollars over and above American investment in Canada, while the cost to Canada in interest payments, dividend payments and "service charges" has been more than double the total of foreign capital entering the country.

From 1950 to 1974, the total long- and short-term inflow into Canada, from all countries, was \$20,341 million. During the same 25-year period, the cost of servicing foreign investment in Canada looked like this:

Interest payments	\$ 7,011,000,000
Dividend payments	17,393,000,000
"Service charges"	16,489,000,000
	<hr/> \$40,893,000,000

In 1975 the outflow reached a record \$6 billion, and 1976 will be worse — a minimum average outflow of \$18 million every day of every week. The long-term effect on Canadian current accounts has been disastrous. Canada has had a current-account deficit for 22 of the last 25 years, for a total of about \$21.5 billion. By the end of 1976, this figure will have grown to at least \$25 billion, and probably more. (It is interesting to note here that some countries, in computing their current-account deficits, add in the retained earnings of resident foreign corporations. Were Canada, as it should, to employ such a practice, a more accurate measurement of the extent of our disastrous economic relations with the U.S. would be available.) While our total current-account deficit for the past quarter-century has been \$21.5 billion, our deficit with the U.S. alone has been \$24.7 billion. In other words, during the same period the sum of our trade in goods and services with the rest of the world has been a small surplus of just over \$3 billion.

### Astronomical imports

For most of the last 25 years (1975 was a major exception), Canada has had good merchandise trade surpluses, but all the while our imports, overwhelmingly from the U.S., have been rising astronomically. In 1975, our imports from the U.S. increased to a record \$23.5 billion. What is more important is the nature and destina-

tion of both our imports and exports. It is no secret that finished products have been coming into Canada at record rates in recent years. In 1970 our end-products deficit was about \$3 billion; last year it was a staggering \$11 billion. Most of this deficit was with the U.S., and most of that involved trade between parents and subsidiaries, obviously at other than arm's length. As our imports of manufactured goods have accelerated, we have tried to keep up by exporting. As it turns out, many of our exports have been in the form of badly-needed, non-renewable natural resources, including large quantities of our cheapest and most accessible oil and natural gas. As almost everyone knows by now, Canadian reserves of oil and gas are not exactly what the foreign-controlled petroleum industry told us they were a few years ago.

This year, and for many years into the future, not only will Canadians have billions of dollars to pay every year to finance the burgeoning costs of foreign direct investment (about 80 per cent American), not only will Canadians have to pay many billions of dollars every year for our manufactured imports (about 85 per cent from the U.S.), but we shall somehow have to finance a \$2-billion 1976 oil deficit, and an increasing annual oil deficit that will surely cost us \$35 billion, at least, during the next decade.

### Cannot be done

There is one small problem. We simply cannot manage it. We cannot bring these enormous costs into balance no matter how often we send Mr. Jamieson to Indonesia, the Prime Minister to Europe and Latin America, and Mr. Gillespie to Japan. Canada is clearly faced with deficits that could bankrupt the nation. Worse still, to finance our present deficits, we are being irresponsibly expedient by maintaining excessively high interest-rates (instead of limiting the supply of money otherwise) so as to attract even more foreign capital and, with it, more foreign control of the Canadian economy. To finance our huge deficits, principally caused by payments servicing the unique-in-the-world foreign ownership we already have, we invite in even more of the same.

Since the publication of the *Gray Report*, foreign ownership has grown by the greatest amount in any equivalent period in Canadian history. So much for the Foreign Investment Review Agency. Despite the quite silly comments about the FIRA by former Ambassador William J. Porter, *The Wall Street Journal*, and, more recently, Richard Vine, U.S. Deputy As-

*Canadians  
must finance  
burgeoning  
oil-deficit*

sistant Secretary of State for European Affairs (among others), U.S. ownership of Canada has grown by the greatest amount ever since the Foreign Investment Review Act was introduced in Parliament. In the "silly comments" class, Porter joined many prominent Canadians when he referred to the supposedly heavy *per capita* Canadian investment in the U.S. (see Page 34 of the November-December issue of *International Perspectives*). The Stanford Research Institute, as part of their Long-Range Planning Service, last year produced a private document entitled *Foreign Direct Investment in the U.S.* At the end of 1973 all foreign direct investment in the U.S. totalled only \$17,751 million, of which \$4,003 million came from Canada. But only about \$2.6 billion of this was really Canadian investment, the balance being mostly American capital reinvested back into the U.S. Based on either GNP or population, were the U.S. to have as much foreign ownership as Canada (over \$70 billion book value in 1975) foreign direct investment in the U.S. would have to be about \$700 billion to be equivalent. Instead, in 1975 it was only about \$20 billion, or less than 3 per cent of the equivalent amount! In turn the Canadian share of the 3 per cent was less than one-quarter. Porter and others contribute nothing but obfuscation when they make such foolish comparisons. *Barron's*, the U.S. financial weekly, put it rather nicely:

It is difficult to imagine a legitimate business venture which would be impeded by the Foreign Investment Review Act... the only U.S. business which wouldn't be cordially welcomed to Canada is Murder Inc.

In 1974, Canada had an all-time record current-account deficit of over \$1.6 billion. In 1975, that record deficit increased by some 320 per cent to \$5.1 billion. The year 1976 will be almost as bad. Conventional wisdom has it that we had such a bad year because of the down-turn in the world and U.S. economies. This is a bit hard to explain though, when one considers that the value of our exports actually increased by 2 per cent. It is even harder to explain when one considers that in 1975, while Canada had its largest-ever merchandise trade deficit, at the same time the U.S. was enjoying its largest-ever trade surplus, over \$11 billion.

Canada simply must curtail imports from the U.S., and curtail them sharply. There is no alternative. However, there is a bit of a problem. Over 60 per cent of the "Canadian" manufacturing industry, which would have to make up for at least some of the decreased imports, is foreign owned

and controlled, mostly in the form of American branch plants, and most rely very heavily on parts and components they import from head office or their foreign affiliates. Is it any wonder then that, as American ownership of our manufacturing has grown, the "Canadian" manufacturing industry has become less competitive? During the past ten years Canada's export deficit in manufactured goods has increased in every major category of finished products. For the decade of the Seventies our growth-rate of national productivity will probably be lower than that of any other industrialized country in the world. Greece and Ireland apparently employ a smaller percentage of their work forces in manufacturing, but no other "Western" nation does.

### Leading importer

Canadians are by far the world's leading importers of manufactured goods, importing twice as much as the average European and four times as much as the average American. Good old Canada — relying, as it does, so heavily on the supposedly indispensable imported foreign technology — is now last in the world among "developed" nations in its net trading deficits in such categories as electronic components, machine tools, and plastics. (Surely only in Canada could such facts and the "Canadian" manufacturing industry's 22-per-cent-behind-the-U.S. productivity lag be ignored by a government-appointed organization such as the Economic Council of Canada.)

So, there it is. We must curtail imports from the U.S., but it will be very difficult. I am not suggesting higher tariffs, but rather measures to increase domestic efficiency and to decrease artificial and/or excessive dependency on imports. We must cut back on future foreign direct investment, but instead we are doing precisely the opposite.

This brings me to the second basic problem. But first, let me sum up the economic results for 1975 for the country that has more foreign ownership than all of Western Europe combined. In 1975 Canada had:

- its highest annual average unemployment since the Depression;
- its largest-ever current account deficit, by far;
- its record outflow of interest payments, dividends and "service charges";
- its largest-ever merchandise trade deficit;
- its largest-ever deficit in manufactured goods;
- its poorest GNP growth-performance since 1954.



The Canadian Government has not responded properly to the changing mood in Canada. Instead it has adopted several so-called "nationalistic" policies in such a half-hearted, reluctant and confusing manner that it is hardly any wonder Americans, and others, are uncertain about what they may expect and what they may rely on. Because of its own schizophrenia, Ottawa is hardly in a position to explain these policies adequately and is often not convincing when it becomes necessary to defend them.

What, for example, could be more confusing and hypocritical than the Government's treatment of *Time* while allowing *Reader's Digest* a continued and now unique tax exemption? Is it any wonder that Americans, and others, are confused about investing in Canada when the Government sets up screening for some forms of foreign investment, and then its ministers travel the world telling investors not to worry about the FIRA while, at the same time, the Bank of Canada and Department of Finance set policies designed to attract record foreign capital inflows? And while the FIRA's Commissioner explains that the agency's real job is to facilitate foreign investment rather than to hinder it? What could be more confusing than to have a provincial premier set out to nationalize the American-owned potash industry and then travel to New York asking for the American capital he needs for the takeover?

All the while, though, apparently out of sight of most politicians and many civil servants, a major change has been taking place in every region of Canada. Consistently, increasingly, year after year since 1964, poll after poll after poll, Canadians are making it clear they think Canada already has too much foreign ownership, does not need more foreign capital, and should be more independent from the U.S. in the future. Asked last year if they thought Canada could use more U.S. capital, 71 per cent of Canadians surveyed said no; only 16 per cent said yes. Twice as many Canadians think the U.S. and Canada are moving further apart as think they are drawing together. Only 41 per cent of Canadians think U.S. money already in Canada has been a good thing; 84 per cent are against further foreign ownership.

For years the so-called "nationalists" have been telling Canadians that they have been financing the foreign takeover of Canada themselves. The July 1975 issue of *Survey of Current Business*, published by the U.S. Department of Commerce, contains some interesting statistics. From 1970 to 1973, American ownership in

Canada grew by about \$8 billion. In 1970, only 11 per cent of this growth was financed by U.S. funds, in 1971 it was only 4 per cent, in 1972 only 6 per cent, in 1973 only 9 per cent. In other words, well over 90 per cent of the growth was financed from either retained earnings or funds raised in Canada. Obviously the polls indicate that the "nationalist" message is getting through.

So the mood in Canada has been and is changing. There is no major anti-Americanism here. And what is happening would hardly be thought of as nationalism in any other country. It is certainly not aggressive or chauvinistic or xenophobic or flag-waving or breast-beating super-patriotism. Rather it is a maturing confidence combined with a realization that we have already sold off much more of our country than we should have, or could really afford to.

Eventually politicians in Canada will have to respond to public opinion, and even sooner to urgent economic pressures. Americans would be wise to accept the inevitability of this response and plan for it now.

### **Ignorance of Canada**

My point about American ignorance of Canada might best be illustrated by Senator George McGovern's question to William Porter when the Ambassador stopped off in Washington on his way to his new posting in Saudi Arabia. Why, the Senator wanted to know, was Canada not being criticized for phasing-out oil shipments to the U.S. in the same way Saudi Arabia was during the oil embargo two years previously? Why indeed! For any Canadian this kind of question from a leading American political figure has to be utterly dismaying. Except for one thing, it would probably have been the subject of much comment in Canada. It wasn't, of course, because it was so very typical of just how poorly informed U.S. politicians are when it comes to their "great northern neighbor, our friend and ally, our biggest trading partner". Canadians are used to it. There are so many similar and familiar examples to make it hardly worth while listing others.

American indifference and Canadian timidity must be held jointly responsible. It is easy to explain, but the consequences are most dangerous. Canada's failure to articulate its policies properly can be traced to a variety of causes, including confusion in Ottawa about what it is exactly that we are trying to do in our bilateral relations and, many would add, what we are trying to do domestically.

*Politicians  
will respond  
to public opinion  
and economic  
pressures*

The greatest irony is that those modest, hesitant moves Canada has recently made towards protecting its own national interest have been regarded by many, on both sides of the border, as "nationalistic". When one considers the present-day results of the juxtaposition of the world's greatest super-power with the world's foremost branch-plant colony, cries of "nationalism" from below the border would surely be some great joke, except that many poorly-informed Americans and Canadians really believe it.

The United States is one of the most nationalistic and patriotic states the twentieth century has produced. It is surely one of the most aggressive culture and values-exporting societies the world

has ever known. For Canada to maintain its independence, we shall have to do a much better job of protecting our interests in the future. Americans may have good reason to believe that there will be few major changes in the future. But they will be very much mistaken if they ignore the growing feeling in the Atlantic Provinces, in Quebec, in Ontario, on the Prairies, and in British Columbia — the feeling that enough is enough, the feeling that Americans must not believe they can continue to buy up Canada.

Much has been written in the past about sharing the continent. Many Canadians now believe it is we who have been doing the sharing and that now is the time for some clear-cut friendly dividing instead.

*United States  
one of most  
nationalistic  
and patriotic  
of states*

### *Sharing the continent*

# The United States: good friend and benevolent neighbour

## *A continentalist approach*

By Peyton V. Lyon

These lines are being written during the last lap of a three-month peregrination in search of the Canadian image of the world and the world's image of Canada. Interviews in 30 capitals (including more than 200 in Ottawa) have been conducted with senior Canadian officials to discover how they conceive of international politics and Canada's participation in them. About 100 foreign politicians, officials, journalists and academics have also been interrogated in order to compare their images of Canada with those held by the makers of Canadian foreign policies. Although analysis of the interviews is barely under way, a few preliminary, personal impressions may be

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relevant in a discussion of Canada's experience in sharing a continent with the world's most powerful nation.

Both Canadian and foreign observers concur that relations with the United States constitute the Number One issue in Canada's external relations. Some of the foreigners deny that Canada has a "real" problem, and almost all indicate willingness to swap their problems for Canada's. On the other hand, too many of the foreign experts, especially in academic and journalistic circles, exaggerate the degree to which Canada is constrained by its economic interdependence with the United States, the amount of anti-American feeling in Canada, and the novelty and extent of the Trudeau regime's efforts to affirm Canada's identity and independence. They too readily assume that Canada's relations with its one neighbour must resemble closely the relations within many other disparate dyads, such as Mexico and the United States, or Finland and the U.S.S.R.,



and that Canadians are engaged in a gallant struggle to free themselves from bondage to an imperial bully.

The relationship, however, is perceived differently by a large majority of the Canadians responsible for the conduct of external relations, and also by the foreign experts who have either visited Canada or had extensive experience with Canadians in such international forums as the United Nations, the Commonwealth or NATO. Canadian decision-makers agree overwhelmingly that the United States is "Canada's best friend". They also agree that Canadians gain through economic interdependence with the United States; that they do surprisingly well in bilateral negotiations with Washington — certainly better than might be expected from the disparity in population, wealth and military power; that the United States treats Canada better than it does other countries; and that Canada enjoys reasonable independence in its external policies. Many can see no significant difference in the interests of the two nations. All seem very confident that the United States would defend Canada against any potential aggressor, and almost as confident that it would never use its military might against Canada. Can there be another country, one is led to wonder, quite so fortunate in its relations with a more powerful neighbour?

But that, of course, is only half the picture. Most Canadian decision-makers not only cite relations with the United States as Canada's most important external problem but agree that high priority should be given to measures to strengthen Canada's independence and cultural identity *vis à vis* the United States. They oppose further steps of an apparently integrative character, such as Canada-United States free trade, sectoral arrangements like the Auto Pact, or a continental energy package. Most of them support the "Third Option", the Government's declared policy of intensifying relations with other countries in order to diminish Canada's vulnerability to changes in American society or American policies.

### Mood reflected

How is one to explain this apparent inconsistency? In part the Ottawa establishment may be reflecting less its own convictions than its reading, not necessarily accurate, of the popular mood. The current rise in Canadian nationalism is generally believed to have been inspired by the high degree of economic integration with the United States, a phenomenon that "peaked" some years back. It appears to relate more

closely, however, to the decline in the perceived Soviet threat to North America. Even the few Canadians so old-fashioned as still to be worried about the Cold War and the arms race are likely to agree that there is little possibility of Canada doing much to reduce these threats. The global military balance appears too crude to be significantly affected by Canadian action.

With the heavyweights engaged in close dialogue, moreover, the risks appear slight of the world stumbling into Armageddon. Dr. Kissinger, by pursuing the *détente* policies advocated by Canada for a couple of decades, has largely deprived Canada of its moderator role. This is not to claim that he pursues those policies *because* of Canada's advocacy. Even if one sees scope for further improvement in U.S. global policies, it is doubtful that reasonably-behaved smaller powers could obtain much of a hearing in contemporary Washington. Under such conditions, it is not necessarily irresponsible or illogical to give priority to less awesome threats, such as peaceful absorption into the Great Republic.

The Canadian decision-making *élite* is clearly not motivated by dislike of Americans or fear of overt American imperialism. The contrary is closer to the truth. Precisely because the United States, as viewed from the North, has such a benign image, many Canadians worry about their long-term capacity to resist the "continental pull". Canadians interact easily with Americans and share most of their values. Even at a time when the "American Dream" is tarnished, and Americans are indulging in an orgy of self-criticism, the fascination of the United States is difficult to resist. The homogenization of values is by no means confined to North America, but it appears to be accelerated by the extraordinarily high volume of trans-border trade, travel and communication. The most anti-American Canadians are prone to be the most absorbed in American events, and the most active carriers of American values. Movements in the United States critical of American society or policy quickly inspire echoes in Canada. Not without reason, John Holmes has spoken of the "Americanization of Canadian anti-Americanism". If present trends are permitted to continue, many fear, a subsequent generation may well conclude that the differences between the two nations no longer warrant the expensive trappings of Canadian sovereignty.

If the Americans had only been rougher in their treatment of Canada, and had created memories comparable to those

*Decision-makers  
not motivated  
by fear of  
American  
imperialism*

nurtured by the Irish of British domination, Canadians would be less insecure about their prospects for survival as an independent, distinctive entity. The economic offensive of August 1971 was uncharacteristic of American behaviour towards Canada in this century, and did much to strengthen Canadian independence. Perhaps the kindest thing the Americans could do for Canada in their Bicentennial year would be to elect John Connally as President!

### Exploitation thesis

A small number of Canadian decision-makers, and many more outside the establishment, do believe that the United States has consistently exploited Canada, or at least has inhibited the optimum development of its economic potential. They generally concede, however, that American investment was eagerly sought, and in many areas still is. Right up to the energy crisis, moreover, a strong Canadian complaint was against Washington's refusal to permit the greater sale in the United States of Canadian oil. The exploitation thesis becomes more difficult to sustain as living standards in the two countries become more comparable, and more Americans choose to move North of the border. Furthermore, the remaining discrepancy in personal incomes must be attributed in a large part to the way Canadians have strung themselves out in a narrow band along the long border, and created a tariff structure that guarantees inefficient, high-cost manufacturing. With the benefit of hindsight, it is easy to see how Canadian resources might have been better husbanded, but Canadians would not have attained their relatively comfortable material standards without extensive collaboration with Americans.

Nor does it necessarily follow that Canadians would suffer if economic interaction across the border were to increase. Without structural change, Canada faces a bleak future as a manufacturing nation, and the onus is on those who dislike the Economic Council's free-trade proposals to come up with a more palatable alternative. It is a fallacy that Canada could not enjoy the benefits of continental free trade without the loss of its political independence. Indeed, by reducing Canada's vulnerability to changes in U.S. tariffs and quotas, a free-trade arrangement might strengthen Canadian independence. We are certainly entitled to examine critically the nationalism expounded by inefficient producers, including some publishers.

In foreign capitals, Canadian independence is frequently thought to have

started with Trudeau, and he is erroneously perceived to be anti-American. This view overlooks the fact that Ottawa defied Washington more stubbornly, and roused more anger, during the worst period of the Cold War than it has since. The Third Option initiatives are at most mildly irritating to the Americans, and Trudeau has always been unduly cautious in seeking to influence American policies towards other countries. By contrast, Canada's position on such issues as the expansion of United Nations membership, the Korean War and nuclear testing were seen in Washington as threats to vital Western interests. Canada's active diplomacy was rarely played up in public, and it is difficult to prove that it had much impact on American policies, but this should not detract from the credit due Canada for independent judgment and bold, disinterested diplomacy. It should also be acknowledged that Washington abstained from rough tactics, such as economic retaliation, intended to force Canada into line.

### Held its own

A significant minority of Canadian decision-makers, and even a few foreigners, believe that Canada has in recent years more than held its own in bilateral negotiations with the United States. This notion tends to be confirmed by the research of Professor Joseph Nye (*International Organization*, Autumn 1974), whose findings have probably been noted by American officials such as Ambassador William Porter. Their reaction could cast doubt on the proposition that it is in Canada's interest to persuade American decision-makers to pay closer attention to their relations with Canada. We may decide, too late, that one of our most precious diplomatic assets had been the "benign ignorance" of Canada that generally prevailed in Washington!

The Third Option is clearly the most sensible way to tackle Canada's "American Problem". Instead of playing up disputes, or seeking to curtail the multitude of beneficial relations that transcend the border, Canadians should augment their involvement in the larger world. A drastic shift in Canada's alignment is neither feasible nor desired, but even a modest increase in ties with nations outside North America would counteract the debilitating conviction in Canada that our almost certain destiny is gradual absorption into the United States.

The Third Option has the advantage of building on strength. One of Canada's most distinctive characteristics, and the finest, has been its internationalism.

*American investment still sought in many areas*



Canadians serving abroad seem more confident of their identity than those who stay at home, while foreigners who deal with Canadians in international organizations, or in conferences such as the one on European security and co-operation, rarely express doubts about Canada's independence. The country enjoys a good reputation, often better than it deserves, and few if any foreign governments have inhibitions about increasing their relations with it.

### Form and substance

The Third Option, however, is not without difficulty or danger. We can expect understanding for our "American Problem", but hardly sympathy. Canada's general position is already the object of widespread envy. The onus is on Canadians to demonstrate that increased relations would be in the interest of the other nations. That calls for initiative, in business as well as governmental circles, and difficult choices. The principal alternative markets to the United States are in the European Community and Japan, but neither is interested in arrangements that would seriously complicate their relations with the United States, and both are more single-minded than the United States in their interest in Canadian raw materials, as opposed to the manufactured goods that we prefer to export. Many Canadian decision-makers say they favour preferential trading arrangements with Europe, but the enthusiasm tends to vary inversely with the person's experience in international commerce.

The Third Option sometimes appears to have more to do with form than substance and Canada could easily become as boring as the West Germans were during the years their diplomats had to bear the cross of the Hallstein Doctrine. Canadians used to be heeded in international forums on the assumption they were among the likeliest to produce ideas of general relevance. Now one hears the occasional complaint that an upraised Canadian hand is the signal to tune out, that the intervention seems altogether too likely to consist of special pleading and to be concerned more with the Canadian right to be invited, heard and mentioned in communiqués than with the issues at stake as perceived by all the other participants. The complaint may not be warranted. It certainly is not true of Canada's contribution in some current negotiations, such as those on the law of the sea. But the risk is undeniable and one finds disconcerting uncertainty about Canada's intentions among both Canadian representatives and foreign observers.

Intensified relations with Third World countries are appealing for reasons that go well beyond the Third Option. Recent statements by Prime Minister Trudeau and other ministers have been noted with appreciation in the poorer countries, and there is no reason to question our leaders' good intentions. Doubts do exist, however, about the likelihood of Canada measuring up to the expectations created by Mr. Trudeau's rhetoric. Canada's performance in the tariff negotiations in Geneva, for example, or in the Conference on the Law of the Sea, is better than that of some other developed countries, but falls far short of the response implied by Canada's statements about the New Economic Order. Countries like the Netherlands and Sweden are now seen as more sympathetic than Canada to the aspirations of the developing peoples.

It was suggested earlier that Canada's interest would be ill-served by an interpretation of the Third Option that excluded further co-operation with the United States in such forms as free trade. An additional danger is that it will be interpreted as anti-American. Indeed, this is already the case in some circles. My primary worry is not the possibility of American retaliation; even though I have less confidence that the anti-American Canadian nationalists in the inexhaustibility of American goodwill towards Canada, my main concern is about the further harm that might be done to the global image of the United States or the encouragement of isolationist tendencies within that country. The United States, at least in the eyes of the Canadians with the greatest first-hand experience, has treated Canada with respect and generosity. The positive features of the relation far outweigh the negative. That has not been true of American relations with all other countries, and the painful exposure of abuses through the workings of the American democratic process is producing salutary change. The process will have gone too far, however, if it causes Americans to lose all confidence and self-respect, if they abandon the good things they have been doing in the world along with the bad.

Canadians sharing a continent with a benevolent giant are rightly concerned about their identity and independence. It is not in Canada's interest, however, to have the relationship misconceived abroad. The United States has been a good friend to Canada. That is what most of us believe. We should not encourage the world to think otherwise.

*Generosity  
and respect  
have marked  
United States  
treatment  
of Canada*

# Culture and history shape approaches to foreign policy

*Single source but different channels*

By Louis Balthazar

There are few examples in the world of two countries as closely linked by historical experience, geography and culture as the United States and Canada.

Of course, these two countries are still quite separate. Relations between them are often strained and their foreign policies diverge in many respects. However, in comparison with the other members of the international community, their similarities are much more striking than their differences. Two hundred years of history since the American Revolution have not dissolved the ties that formed between those who set out from the British Isles on a unique experiment in liberalism in North America. The fact that most of them chose to set up a new nation and to break all ties with the Crown while others preferred to remain loyal to Great Britain has had no profound effect on the community of ideology that had developed during the colonial period.

Actually, as few historians today would dispute, the American Revolution did not take place in the name of ideology. Remaining loyal to the Empire and refusing to take part in the republican adventure in no way meant a repudiation of the set of values that had guided the development of a new society in North America.

The British colonists and their descendants had psychologically turned their backs on Europe. Puritans or not, they espoused religious values that they did not think it possible to put into practice in the Old World. They had chosen to experience liberal individualism to the full. They believed in work, frugal living and the ad-

vancement of economic enterprise. They placed great value on their individual rights and felt that they were ready for self-government. In short, they had rejected European aristocratic values and set up a society where liberalism would be able to develop unfettered, in an almost pure state. The American Revolution sought to set the seal on this new experiment once and for all by breaking the ties with Europe and bringing the colonies independence. Some colonists did not consider that necessary.

For these settlers, who were later called Loyalists or Tories, it seemed quite possible to continue the liberal experiment in the American way and yet remain within the British Empire. They were not unduly fond of submission to the Crown. However, for all sorts of practical reasons — because they shared the interests of the governors, because they took part in the administration or because the type of business in which they were involved benefited from imperial policies — they were opposed to the revolutionary undertaking.

## **Exodus to the north**

The success of the Revolution put them in the wrong and, as happens after any revolution, they were made to feel that they had been odious “collaborators” and that there was no place for them in the United States of America. Their departure, and the break with this society of which they had been a part, was especially painful and inevitably aroused a certain amount of hostility towards the new political entity that was to develop without them.

Fortunately for these outcasts, however, they were to be able to try their luck elsewhere in America, since Britain had just conquered other territories — those of the former French Empire.

*American Revolution was not in the name of ideology*

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Paradoxically, the people among whom the American Loyalists were condemned to live were much stranger to them from an ideological point of view than those they had just left behind. But a stranglehold on government, the opportunity they were to have to shape the economic development of Canada almost single-handedly since the French Canadians had neither motives for nor any interest in joining in the liberal undertaking) and, finally, immigration, slow at the outset but more pronounced towards the middle of the nineteenth century, were to enable the British in North America to establish gradually their own type of liberal society, which differed from that of the United States mainly in that it was smaller and slower to develop. It was to be a full century after the exodus of the Loyalists before the new country was created by an act of the British Parliament.

### Continuity of spirit

Immigration and the historical experience of the link with Britain were to have a significant positive influence on the development of this culture that sprang from the Loyalist spirit of the end of the eighteenth century. But I believe that the original ethos, the liberal mentality, has always guided Canada's development. In spite of the fact that American development has been unique, the cultural community between Canada and the United States is based in large part on their common origins. Without a doubt, geography and the enormous power of the neighbour to the south serve to explain the cultural osmosis between the two countries and Canadian vulnerability to the American economy and American values. But would there be this same vulnerability if a common American background had not made English-speaking Canadians cousins to the Americans?

The French Canadians do not share these common origins. However, they also turned their backs on Europe at one point; under the French regime, they also experienced a sort of American adventure, which, though not liberal, gave them certain characteristics that were somewhat similar to those of the Americans. Once out of their psychological isolation, they were also to be quite susceptible (although to a lesser degree among the élite) to invasion by the American way of life.

Thus, as, little by little, Canada finally developed its own foreign policy, it quite naturally tended to rely on the United States. When Mackenzie King expressed Canada's reluctance to follow

Britain along the tortuous paths of European politics, it was an essentially North American reaction, and the temptation was that of American isolationism. In fact, even after it became more independent, Canada was to align itself voluntarily with the United States and — during the Cold War period, at least — share the same major objectives.

I should even go so far as to say that the primary characteristic of Canada's foreign policy is that it is North American and reflects a certain very American idealism — a world vision from which the traditional conception of European diplomacy, often based on *Realpolitik*, is noticeably absent.

There are, however, significant differences between the Canadian and American styles of diplomacy. A number of these differences stem from the fact that the United States is a great power and Canada is a middle power with no leadership pretensions. Others are the result of the two separate historical experiences since the American Revolution. Let us now turn to some of these divergent characteristics.

### National pride

As an immediate consequence of the American Declaration of Independence, the United States experienced a great national pride. It was some time before the 13 newly-independent states truly united to form one nation. But, even by 1776, an original collective identity bound all Americans together. The wars against England had given rise to an authentic American patriotism that was to become more and more pronounced throughout the history of the United States. The Americans do not like to define themselves as nationalists because this smacks of the European nationalism they reject. Nevertheless all of the criteria for nationalism are quite evident in the United States: the pride of belonging, the emotion aroused by national symbols, the feeling of experiencing something unique in the world, the desire to bring others under their flag, and even a certain more or less conscious feeling of superiority. Of course, the United States has not become involved in a racist type of nationalism (with the exception — and it is a notable one — of the difficulties in granting equality to blacks). On the contrary, it has welcomed so many immigrants that it is now the most racially heterogeneous nation in the world. But we should note that the immigrants are the ones who have quite naturally been assimilated by the original ideology. In spite of the contributions they have made to American culture, it is the culture that

*Significant differences in styles of diplomacy*

has assimilated them, rather than they the culture.

This nationalism — of which Americans are not especially aware, since they have not had to defend themselves against others as in Europe — has often taken the form of universalism, a certain feeling of having brought together the best conditions for human development, a certain consciousness of purity that has manifested itself in foreign policy either through disdainful isolationism or through moralizing interventionism. When you are conscious of being pure, you become either a monk or a missionary! This idealistic candour has inevitably turned into a kind of intolerance and, with the passage of time, it has even become an “arrogance of power”.

### Canadian nation

Canadians, on the contrary, faithful to their anti-republican choice, long refused to create a nation in the strict sense of the term. The French Canadians are the ones who have a long tradition of asserting their own nationalism — and at times a pan-Canadian nationalism. The Loyalists, in contrast, refused to nationalize their liberal ideology; they chose to practise their liberalism within the Empire “on which the sun never sets”. When their descendants created a country, it was to be a confederation. Their constitution was to be the British North America Act. It may be in part to this lack of English-Canadian nationalism that the French Canadians owe their survival: they were able to find a place among the wide variety of peoples making up the British Empire. Thus Canada was not to become a “melting-pot” but first a duality and then a mosaic. The lack of a flag, of a national anthem (until very recently) and, consequently, of a truly Canadian national mythology were to do little to rally the provinces behind a central government that nevertheless had considerable powers. All of this was to be reflected in foreign policy as what has already been termed a “federalist style” or even a kind of internationalism. Canadians have sometimes had a tendency to carry over into international meetings their experience from federal-provincial conferences. They have been able to feel at ease in international organizations and multilateral institutions. They have rarely practised the egotistical diplomacy that nationalism requires.

Canadians have discovered nationalism only recently. While their internationalism and their spirit of tolerance have occasionally enabled them to be of service

to their neighbours to the south, whose zeal they have attempted to curb, it might be said in return that the Americans are the ones who have forced Canadians to define a certain kind of nationalism in the face of the constant threat posed by the United States to the Canadian identity.

Another advantage of which Canadian diplomacy has had the benefit is that of having come into existence as part of British diplomacy, so to speak. This experience has been difficult at times because it has made the achievement of independence in foreign policy a long process. But it enabled Canadians, sooner than the Americans, to acquire a sense of the complexity of international relations. The Canadian Department of External Affairs was created at the turn of the century, at a time when Canada's foreign policy was necessarily part of imperial policy. So, when Canadians entered the international arena, they took advantage of Britain's vast diplomatic experience and required of their own diplomats the universalism and good manners that had gained the British foreign service such high praise.

The Americans, on the other hand, have created their own type of diplomacy, reflecting both the candour and the arrogance of their world view — to the point where the activist period following the Second World War has been compared to the Creation.

### Public service

One of the characteristics of British diplomacy that distinguishes it from the sometimes improvised style of American policy is what is called “careerism”: that is, Britain's foreign policy is in the hands of civil servants for whom diplomacy is a career while, in the United States, the important positions are often held by people who have no experience in diplomacy. Canadians have followed the British example. This tallies with their historical experience; a large number of the Loyalists who left the United States following the Declaration of Independence were civil servants, so that Canada gained a long tradition of public administration. The quality of Canada's public service as a whole has often been praised. This quality is not unrelated to the original influx of public servants from the American colonies and, of course, is also connected with a form of society in which politics play a permanent supporting and stimulating role with respect to individual enterprise.

The United States, on the contrary, deprived from the outset of the administrative class from the colonial period, has,

*French Canadians' long tradition of asserting nationalism*



throughout its history, given much less importance to the public service. While they were respected in Canada, bureaucratic careers have often been downgraded in the United States. In order to avoid what was considered to be a dangerous "routinization" of the bureaucracy — far from the virtues of private enterprise — fresh recruits from other sectors of society have constantly been called upon to administer the state. In other words, American society has depreciated the permanent public service, whereas the Canadian experience has been to grant great moral authority to public servants.

Finally, by once refusing to take part in the revolutionary adventure, Canadians seem to have been immunized against any sudden or flamboyant change. They have built a society that is just as democratic as American society, but democracy has come slowly, without recourse to grand proclamations. Canadians rejected radical transformations at the time when Papi-neau and Mackenzie were clamouring for them. But shortly afterwards they obtained responsible government, followed by universal suffrage, and, quietly, democracy gained ground just as determinedly as in the United States.

There was never a declaration of independence in Canada. The Canadian constitution is still under the jurisdiction of the British Parliament. Nevertheless, Canada is most certainly a sovereign state; at least, if its sovereignty is endangered, the threat does not come from London.

### **Reflects moderation**

Canadian foreign policy, which acquired independence little by little, clearly reflects this moderation. American diplomacy, in contrast, has often been marked by the flamboyant style of its origins. The successive Presidents of the United States have felt the need to make Washington-style declarations of principle or, following Monroe, to establish "doctrines". For their

part, Canadian leaders have sought to champion conciliation, moderation and patience. Even now that we are deliberately trying to put into effect a policy of independence (typically stated as an "option" rather than a doctrine), we are doing it slowly, gradually, taking great care not to injure anyone in the process and, at every gesture that tends to make us more independent of the United States, proclaiming our indestructible friendship toward our American neighbours.

As a fifth characteristic of Canadian foreign policy, we might make reference to the fact that it reflects a cultural duality. Although a number of French Canadians have played an important role in Canadian diplomacy, it is difficult to see how they have contributed, as such, towards shaping a Canadian style. It is quite clear that modern-day Quebec has encouraged a marked involvement of Canada's foreign policy in matters relating to the French-speaking world community. However, it may be a few years before Quebec, as a political entity, comes to have a significant effect on Canadian diplomacy. In the meantime, we can always point out that Canada's foreign policy is expressed in two languages, something that already distinguishes it from that of the United States.

None of these differences, which, in the final analysis, may be more likely to enrich relations between the United States and Canada than to create conflict, can cancel out the inescapable fact of the common destiny of these two North American countries. None of the "Third Options" or other products of Canadian nationalism, as sound and successful as they may be — or even the possible appearance of a new actor in the form of a sovereign Quebec —, will be able to alter significantly this fact of life. Through their historical experience, their culture, their economy and their drive, Canada and the United States will always be, for better or for worse, closely bound to each other.

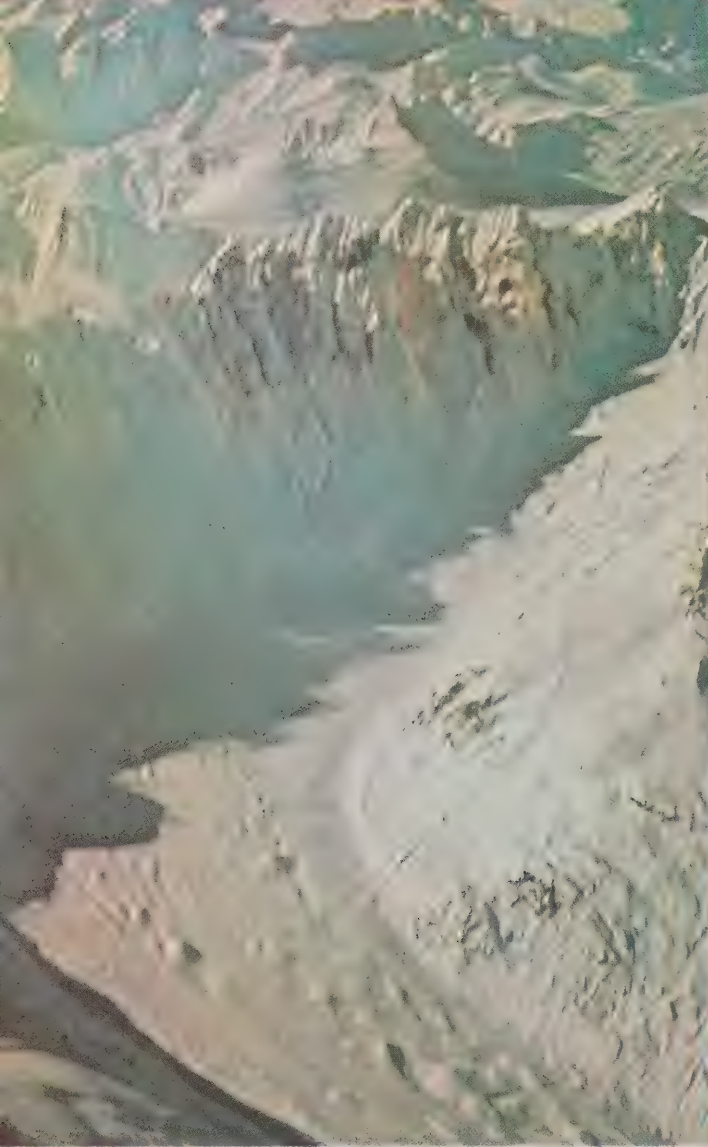
*Cultural duality  
reflected  
in Canadian  
foreign policy*



## Between Friends

The 15 photographs on these pages are selected from the book *Entre Amis*. The book is on the border between the United States and Canada, to honour the American Bicentennial. The first copy of *Entre Amis* will be presented to the Prime Minister of Canada.

The photographs used





# s/Entre Amis

presented on these two  
in *Between Friends*  
a photographic essay  
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*Between Friends/Entre*  
to President Ford by

are identified on Page 44.





# Differences in time explain different constitutional forms

By W. R. Lederman

*Great debt  
to England  
by both  
Canada  
and United States*

The United States celebrates this year the two hundredth anniversary of the Declaration of Independence; in 1967, Canada celebrated the one hundredth anniversary of its federal union as a self-governing country. But the constitutions and legal systems of the two neighbours are much older than these events would indicate, drawing most of their form and substance by inheritance from some centuries of English constitutional and legal development. Accordingly, the first point to emphasize in comparative comments about these matters is that both Canada and the United States owe a great debt to England. There is much in this inheritance that explains many common features of government and law in the two North American countries today, but, nevertheless, in one important respect there is a critical difference, the explanation of which is the theme of this short article.

In the United States, there is a firm separation of powers in the Constitution between the executive and the legislative branches, the President and the Congress; whereas in Canada, at the national level, there is a union of the powers exercised by the federal ministry and the House of Commons under the constitutional principles of the cabinet system. (The same governmental contrast obtains between the American states and the Canadian provinces.) This critical difference gives rise to the following question: if both Canada and the United States inherited British public law and governmental institutions (as they did), why do we have this contrast? The answer requires a careful look at

English and North American history in the eighteenth and nineteenth centuries.

When considering independence or complete local self-government, both Americans and Canadians looked to the example afforded by the British constitution *as it functioned in Britain itself for the government of the home island by the citizens who lived there*. But they looked to this example at different times. For the United States, the critical period was the decade of the 1770s. For the British North American colonies remaining or established after the American Revolution, the critical period was the decades of the 1830s and 1840s. Only about 70 years separate the two periods, but, in 1,000 years of English constitutional history, it is doubtful if any other 70-year period saw such important changes in Britain itself for the government of the home island.

What were the main features of the British constitution at home in London in the late eighteenth century? Modern historical scholarship shows that, while the legislative supremacy of Parliament had been established, nevertheless the real operating executive head of the nation was still the King himself — at this time George III. In the main, he personally controlled colonial administration and policy, foreign relations and the armed forces. It was true that he had ministers he selected to advise him, including a Prime Minister. Collectively they became known as the Cabinet.

But this did not mean that the modern cabinet system had arrived. The agenda for each ministerial meeting was set by the King, who was free to accept or reject ministerial advice when it reached him. Parliament did control the purse-strings and could insist on the legislation that it desired. The King, on the other hand, had to bargain with Parliament, in particular with the House of Commons, and to make concessions to obtain the legislation and revenue he wanted from time to time. But the House of Commons was far from democratic, and many seats could be controlled by the King or the ministers or other power-

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ful royal partisans. Thus, in 1776, Britain itself had a balanced constitution with the executive power, largely personified in the King, at arms length with the House of Commons, the latter relying on its legislative and financial powers. This was indeed a separation of the executive and legislative powers of the state for all purposes — the government of the home island and of the overseas territories.

So far as the home island was concerned, a large body of Englishmen had the vote and exerted a considerable influence on the House of Commons and the King. But the Englishmen in the American colonies did not fare so well. The citizens of the Atlantic colonies wanted to control their own affairs through their own legislatures to the extent that Englishmen in England currently did so for home affairs through the British Parliament. The leaders of the Atlantic colonies were very well informed on exactly how things were done in London. By the latter part of the eighteenth century, the British Atlantic colonies had become communities too mature and complex for detailed control at long distance from London.

### **Veto power**

Yet the old colonial system was predicated on the supremacy overseas of the King, the Parliament and the courts of the mother country. The King and his Privy Council held veto power over the legislation of the colonial assemblies and exercised it freely, either directly or through the colonial governors. The governors were caught in the middle; they could not serve two masters — the King and the Privy Council in London and also their respective colonial legislatures. The veto power of the King over legislation of the British Parliament was rapidly disappearing in London, but not in the American colonies. This was cited in the Declaration of Independence as one of the principal grievances of Englishmen in America. The British could see no way to reconcile the supremacy of the King and the British Parliament overseas with meaningful autonomy for colonial governors and legislative assemblies. The Englishmen in America would not accept this position — that essential parts of the British home constitution were not for export. The American Revolutionary War was the result — and separation from Britain.

How was the new independence used? Consider certain central features of the United States Constitution of 1789 respecting the executive and the legislative powers. We see that the President and the Congress are set at arm's length, each with

autonomous powers. Except for the electoral principle and the fixed term of the President, the relation mirrors that which currently obtained in London between George III and the British Parliament. The exception, of course, is of the highest importance — the requirement that the executive head of state should be elected for a fixed term was a landmark in the history of the development of democratic government. Nevertheless, the point remains that, once the President is elected, his relation to Congress is closely analogous to the separation of powers that existed in the late eighteenth century between King and Parliament in Britain itself for purposes of self-government in the home island.

Let us turn now to developments after the American Revolution, first in Britain and then in the British North American colonies. In Britain, the modern cabinet system did not develop fully until the time of the Great Reform Act of 1832, which extended widely the Parliamentary franchise among the British people. After the loss of the American colonies in 1783, William Pitt and his successors as Prime Minister gradually assumed control of the selection of ministers and the cabinet agenda. It became established that the King was bound to take the advice of his ministers and that they in their turn had to agree on the advice they would give.

Finally, in the decade beginning with 1830, it became established that the Prime Minister and his cabinet had to maintain the confidence of a majority in the House of Commons and to resign or call a new Parliamentary election if they lost that confidence. Very soon after 1832, the precedents for resignation or dissolution on defeat in the House of Commons multiplied and the rule became firm. In contrast to the state of affairs in the late eighteenth century, effective co-ordination and harmony between the executive and legislative powers in the state had been achieved on a systematic basis that held the executive accountable to the elected chamber of the legislature. Thus, compared to the position in 1776, real executive power in Britain had been depersonalized. It was no longer largely in the hands of the monarch (now Queen Victoria). Rather, the Queen was largely the nominal head of state, bound to take the advice of responsible ministers in the conduct of the government of Britain and the overseas empire. Something was now possible that had not been possible in 1776 — the Queen could be required to take advice from different groups of ministers for different territories and for different subjects.

*Establishment  
of principle  
of majority  
in House*

Let us now look at relevant developments in British North America after the American Revolution. At first, Britain continued to govern the remaining British North American colonies along the old lines, though there were some minor administrative reforms. To make a long story short, we find that the same constitutional conflicts that had preceded the Revolution in the American colonies surfaced again in the British North American colonies during the 1820s and 1830s. The governor, appointed and instructed from London, held the whole of the executive power in a colony, along with his appointed executive council. This oligarchy came into conflict in the old way with the elected assembly of the colony. As in 1776, the British Government could see no way out of this dilemma — the colonial governor still could not serve two masters. The result was rebellion in both Upper and Lower Canada in 1837. It is noteworthy that the rebel leaders, Mackenzie in Upper Canada and Papineau in Lower Canada, both advocated the American constitutional system as the solution. The rebellions quickly failed, but they did prompt the British Government to send Lord Durham to British North America as Governor General, instructing him to report on the situation and propose remedies.

### Modern Cabinet

As explained earlier, this was the very decade in which the final steps rounding out the full modern cabinet system were taken in British itself. Moreover, while full collective cabinet responsibility thus became established in practice, there was little public explanation or articulation of what had happened. Indeed, many in Britain still considered cabinet accountability to the House of Commons to be what it was in the time of Pitt or even the earlier years of George III. But Lord Durham, being a radical and a reformer in British politics, was well aware of the new position. Another person who knew of it was Robert Baldwin, one of the leaders of the "Reform" party in Upper Canada. His reform group, which had wide support, preferred the British to the American Constitution and wished loyally to maintain the British connection. Robert Baldwin made representations to Durham, at the latter's invitation, urging that the grant of cabinet or responsible government to each of the colonies for all purposes of internal self-government was the great and necessary measure to be taken. No doubt this influenced Lord Durham greatly; in any event, this was the principal recommenda-

tion of the *Durham Report* to the British Government in 1839.

Speaking of the nature of cabinet or responsible government in the *Report*, Lord Durham said:

"In England, this principle has so long been considered an indisputable and essential part of our constitution, that it has really hardly ever been found necessary to inquire into the means by which its observance is enforced. When a ministry ceases to command a majority in Parliament on great questions of policy, its doom is immediately sealed; and it would appear to us as strange to attempt, for any time, to carry on a government by means of ministers perpetually in a minority, as it would be to pass laws with a majority of votes against them. The ancient constitutional remedies, by impeachment and a stoppage of supplies, have never, since the reign of William III, been brought into operation for the purpose of removing a ministry. They have never been called for, because in fact, it has been the habit of ministers rather to anticipate the occurrence of an absolutely hostile vote, and to retire, when supported only by a bare and uncertain majority."

Professor A. H. Birch points out that, even for Britain itself, this is the first authoritative statement in a great public document of the nature of the collective responsibility of the Cabinet. Commenting on the passage just quoted from Durham's *Report*, Professor Birch says:

"This statement is worth quoting in full because it was the first clear assertion of what later became known as the convention of collective responsibility. In giving the impression that this was a long-established principle of the British constitution, Durham (who was a Radical) was rather misleading. In fact it had been established only during the previous three or four decades, and securely and irrevocably established only since the Reform Act of 1832."

So the Canadian reformers and Durham himself were indeed very much up-to-date respecting the state of the British constitution on its home ground. The newness of this development at the time in Britain explains some of the misunderstandings of the period, in both Britain and Canada, about what "responsible government" did mean.

Finally, there was a vital refinement to Durham's proposal. In recommending that the colonial governor should govern under the advice of a cabinet dependent on the elected assembly of his colony, Durham reserved certain subjects, those of persist-

*American  
system  
advocated  
by Mackenzie  
and Papineau*



ing importance being foreign relations, foreign trade and the constitution of the colonial system of government itself. On these matters the governor would continue to take his instructions from London, but on all other matters he would act under the advice of his colonial prime minister and cabinet, according to the newly-established principles of cabinet government. This federal formula for executive responsibility helped to solve the dilemma of the first British Empire — that dilemma being the old idea that a colonial governor could not respond to two masters if there was to be an Empire at all. He could respond to two masters on different subjects. Thus Lord Durham pointed the way to full colonial domestic self-government coupled with the maintenance of the British connection. There was now no need for a second American revolution. It should be noted that Lord Durham's constitutional solution was made possible largely by the emergence in Britain, a very few years before his mission to British North America, of the full-fledged cabinet system.

Within ten years, Durham's proposal was implemented by the simple device of instructions to the colonial governors by

the British Government to do as the *Durham Report* recommended. This solution reconciled colonial self-government with a real and continuing connection to Britain as the mother country and ended the threat of a second American revolution. Indeed, the Durham solution became the foundation of the modern British Commonwealth.

Finally, we should note that the development of complete independence for Canada as a full member of the community of nations in the earlier years of the present century came as the original Durham reservations on the powers of the Canadian ministers were eliminated one by one, by peaceful evolutionary means. Now, initiative and control concerning the conduct of foreign relations, foreign trade, and the amendment of the Canadian constitution rest with the Canadian ministers of the Crown alone. The procedure to be followed to amend the constitution of Canada still has its uncertainties, but these will be resolved as soon as Canadians can agree among themselves on the matter. Meanwhile, it is at least clear that initiative and power no longer rest in this respect with the British Government or Parliament.

*Durham solution  
foundation  
of modern  
Commonwealth*

## *Our common heritage*

# In defending the continent there can be no "Third Option"

By John Gellner

The story is told of an exasperated Lord Kitchener unable to contain himself any longer as he listened to a discussion of military matters in a First World War British Cabinet meeting. "Don't you realize, gentlemen", he exclaimed, "that a war is waged not as one wants but as one must." What the doughty Field Marshal was telling his civilian colleagues was that strategic options are likely to be fewer and considerably narrower than the choices usually available to decision-makers in other fields of public policy. This is so because of the immutable determinants of a country's military posture, determinants often so powerful that they make all debate about the basic direction of national

defence policy irrelevant. Of these, the most important is usually geography.

It is in the case of Canada. We share the North American continent with one of the world's two super-powers. We have no land frontier with any other sovereign state. And, situated as we are between the United States and its only major potential adversary, we are the "ham in the sandwich". These are facts that cannot simply be wished away. They result in Canada's defence policy being, of necessity, strongly influenced by U.S. security requirements. As Robert Sutherland put it in a remarkable article in the Summer 1962 issue of *International Journal*: "In the final analysis, a Great Power will take whatever

action it finds necessary to the maintenance of its security. It must do this or cease to be a Great Power, and the United States is no exception." Canadians had better realize this.

Our American neighbours certainly do not see it any other way, although at the official level they have been careful not to give offence by saying so outright. In internal communications, however, they have not minced words. For instance, there is this passage in a February 1961 briefing memorandum for President Kennedy by the then Secretary of State Dean Rusk: "A loss or diminution of U.S. use of Canadian air space and real estate, and of the contributions of the Canadian military, particularly the Royal Canadian Air Force and the Royal Canadian Navy, would be intolerable in time of crisis".

The necessity for the closest co-operation between the United States and Canada in the security field can perhaps best be explained by comparing the former to the citadel and the latter to the glacis of a classical seventeenth century fortress built on the principles of the great Sebastien de Vauban. The function of the glacis was to force the attackers to expose themselves – to view and to fire – well before they reached the defenders' main strong points. The advance across the glacis was hotly disputed, the object being to make the assailants arrive beneath the walls of the citadel exhausted and with their weaponry depleted. The defending force, or what was left of it, which had retreated step by step fighting, had by then passed through a quickly-opened gate into the safety of the citadel. The combination citadel/glacis also had a deterrent effect. It deprived the would-be aggressor of the advantage of surprise. And it introduced doubt into his mind that he would be able to reach the citadel in sufficient strength to finish the job by storming it. Thus, while a position on the glacis may not have been comfortable, it need not have been a dangerous one as long as the deterrent worked.

In the case of North America, control of the vast Arctic and sub-Arctic regions of Canada – the air above them and the waters surrounding them – is essential if there is to be early warning of impending

attack, for the alerting of one's own defensive and retaliatory forces, and for the deterring of the would-be aggressor by persuading him that he can not count on mounting a surprise attack. Broadly speaking, everything north of the 60th Parallel is the strategic *forefield*, the *outer* glacis as it were. The sparsely-inhabited land and the air-space immediately to the south form the *inner* glacis. The walls of the citadel can be said to loom on either side of the national boundaries. The whole makes up "Fortress North America".

It might be argued that this kind of analogy is out of place in these days of intercontinental ballistic missiles and surveillance satellites. It is not, though – not if one looks at the situation as one of deterring, and not of waging, war. Close control of the access routes, through whichever element they may lead, is an indispensable component of deterrence, if for no other reason than that it eliminates the danger of surprise, which is the precondition of a first strike – if that be at all thinkable.

### One area

That North America is a single area for purposes of defence was first realized in the late Thirties, when the initial danger signs appeared on the horizon of possible transoceanic, intercontinental warfare – submarine and, farther in the future, aerial. Before that, there had been no need for, and no thought of, military co-operation between the United States and Canada. The attitude was typical of the Canadian delegate to the League of Nations who told the Assembly in 1924 – rather tactlessly, considering the circumstances – that Canada was in the enviable position of being "a fire-proof house, far from inflammable materials". He could have said the same about the rest of North America.

The novel needs arising from the fact that the "inflammable materials" were being brought closer to the shores of North America – and perhaps soon would be too close for comfort – were first pointed out by President Roosevelt in a speech at Chautauqua, New York, on August 14, 1936. Two years later, there was a significant exchange between the leaders of the two nations. In a speech at Kingston, Ontario, on August 18, 1938, President Roosevelt assured his audience "that the people of the United States will not stand idly by if domination of Canadian soil is threatened by any other empire". On August 20, Prime Minister Mackenzie King responded: "We, too, have our obligations as a good friendly neighbour, and one of these is to see that, at our own instance, our country is made as immune from at-

*Citadel/glacis  
explanation  
of Canada-U.S.  
defensive  
arrangement*

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lack or possible invasion as we can reasonably be expected to make it, and that, should the occasion ever arise, enemy forces should not be able to pursue their way either by land, sea or air, to the United States across Canadian territory.”

As can be seen, that statement of Prime Minister Mackenzie King already contained the substance of future arrangements for a joint defence of North America. The United States and Canada were thus well on the road that led, another two years later, to the Ogdensburg Agreement of August 17, 1940, and the institutionalizing of U.S.-Canadian defence co-operation by the creation of the Permanent Joint Board on Defence (PJBD). The “Permanent” in the name is important. Put in deliberately, as the relevant entry in the Mackenzie King diaries shows, it served as affirmation that looking jointly after the security of North America was then, and would always remain, the only possible, because the only rational, course.

### Principle established

The principle of joint defence was thus firmly established 36 years ago. Naturally enough, the methods of translating it into practice have undergone some changes through the years. No purpose would be served by describing them all, except to say that they were generally aimed at making the system work more efficiently and more economically under the conditions of the time and, on the political plane, at making it as palatable as possible to the smaller, and thus understandably more prickly, partner. Here, the problem was to make interdependence (which to many Canadians looked like dependence on the mighty United States) compatible with national sovereignty.

Canadian policy in this matter has been fairly consistent through the years. Prime Minister Trudeau spelt it out again in his programmatic statement on Canada’s defence goals, of April 3, 1969: “We shall endeavour to have those activities within Canada which are essential to North American defence performed by Canadian forces.” Nils Orvik, writing in the September/October 1973 issue of *Survival*, sees in this “do-it-yourself” policy the most effective means a small country has of saving itself from being “helped” by a powerful neighbour. What is involved is to persuade the latter that everything possible is being done to ensure his security, and that he does not have to force additional assistance upon a reluctant weaker partner. Professor Orvik, a Norwegian by birth, uses what happened to his homeland in 1940 as an example of

“defence against help” that was attempted but failed. For Second World War Germany, the safety of its northern flank in general, and the free movement of Scandinavian iron ore down the west coast of Norway into German ports in particular, were strategic essentials. Norway was doing its best to satisfy German security requirements, but Berlin always had its doubts about Norwegian capabilities, though perhaps not about Norwegian good will. The *Altmark* incident demonstrated the limitations of these capabilities. On the night of February 16-17, 1940, the German naval auxiliary vessel *Altmark* was caught in Jösing Fjord by a British destroyer, and the 300 or so British seamen she was carrying as prisoners were freed. Norway could do no more than protest the alleged violation of its neutrality. So the Germans took over the protection of the west coast route. In passing, they also invaded and occupied the whole of Norway.

The United States is not Nazi Germany. No drastic action need be feared in case Canada neglects to look after the glaxis of “Fortress North America”, even though Canadian capabilities also sometimes appear questionable. There are, however, other means, gentler but also effective, by which the United States could press, and probably would press, upon Canada its help in doing what it considered vital to its security, and it would be this help that would then affect Canadian sovereignty.

### Lucky coincidence

Fortunately, specific Canadian security requirements largely coincide with wider North American security concern. In fact, the first two of the four defence priorities listed in the 1971 White Paper on defence overlap to a great extent. They are, respectively, “the surveillance of our own territory and coast lines, i.e. the protection of our sovereignty” and “the defence of North America in conjunction with U.S. forces”. (The other two priorities are “the fulfilment of such NATO commitments as may be agreed upon” and “the performance of such international peace-keeping roles as we may from time to time assume”.) Now, a Canadian maritime aircraft on off-shore patrol may search for submarines, but will also routinely look for vessels fishing in prohibited waters, ships trailing oil-slicks, icebergs and what not. In other words, the surveillance task, which is the principal one in time of peace, cannot be neatly packaged in one operation. It is difficult to see how Canadian sovereignty could be affected by doing so or, for that matter, by performing

*Fortunate coincidence of security requirements*

the two tasks separately if this were more convenient.

One sometimes hears the argument that U.S.-Canadian defence co-operation means in practice that the United States calls the tune and Canada goes along. This is said in particular of the only wholly-integrated common organization, the North American Air Defence Command (NORAD). What happened at the peak of the Cuban missile crisis of 1962 is invariably cited as an example of the dire consequences that ensue from the integration of the forces of two partners so unequal in strength. In fact, the raising on October 22 of the state of readiness of the NORAD forces to the third rung of the five-rung ladder of alert conditions (Defcon 3) was merely one of the moves in the game – frightening at the time but fascinating in retrospect – of pressures and counter-pressures that was played during the crisis. The Canadian Government approved of that move only two days later, on October 24, when the purpose of it had already been accomplished. In practice, this delay was of no consequence. The then Minister of National Defence, Douglas Harkness, has since made public the whole story of what happened in those critical days. With his consent, but without an announcement, portions of the RCAF and of the RCN (which was not then under integrated command and thus not affected by the NORAD decision) were put on an alert state equivalent to that under Defcon 3. Thus, in terms of military preparedness, the same result was achieved in Canada, where, for political reasons, the matter was handled quietly, as in the United States, where, by design, to impress upon the adversary that Washington meant business, the NORAD alert was announced with a flourish of trumpets. Far from proving that U.S.-Canadian defence co-ordination had failed in time of crisis, the incident showed that it worked very well, and without interfering with the political process.

It may be worth while mentioning that the U.S. components of NORAD were put on alert (with all other American forces) for a somewhat similar purpose on October 25, 1973, in connection with events in the Middle East. The Canadian component of NORAD did not follow suit, nor did anybody expect it to. Defence co-ordination simply does not mean subordination.

### Pressures exist

This is not to say that pressures are not being brought to bear within the joint North American defence setup, and – understandably – more often by the U.S. side, but mainly over operational and organizational matters. Canadian responsibility for the security of the glacis of “Fortress North America” demands a certain level of activity and requires certain kinds and quantities of military equipment. As we noted earlier, much of that equipment is “double-tasking”, but there are items the Canadian Forces would probably not need if their role on this continent were a purely national one. There is thus always the question of how much must be done for the common purpose, and with what. In this respect, we are even now faced with a major problem. For good reasons, mainly connected with technological progress on the other side and the need to save manpower (always a scarce commodity in all-volunteer services) on ours, NORAD is planning on supplementing, and perhaps, later on, largely replacing, the present fixed, land-based NORAD early-warning and control system with a mobile, airborne one (AWACS). This calls for a large-scale remodelling of the whole defence setup – not least for the purchase of a great deal of new, expensive equipment. The Americans seem inclined to adopt the new system; prototype AWACS aircraft are already flying and, of the other components of the system, the two principal – the over-the-horizon back-scatter radar (OTH-B) and the improved interceptor-fighter (IMI) – are in the trial stage. We should do well to go along, but, with so huge an expenditure involved, is this possible in these times of financial austerity? And, if we do not go along, what will happen to NORAD as an effective military instrument, an important element in the general deterrent system?

These are practical questions of the kind that arise in connection with joint North American defence. That there should be co-ordinated action is *not* at issue. The joint defence of North America has been a permanent feature of U.S.-Canadian relations, solidly entrenched because unavoidable and not permitting any “Third Option”, for close to four decades now.

*Same results  
achieved  
in Canada  
by quiet means*



# A Canadian appraisal of the state of the Union

*Grave problems need new solutions*

By W. A. Wilson

No nation affects so many others as pervasively, in as many different ways, as the United States — not even the other nuclear super-power, although the force of its ideology, coupled with its military might, makes it a close second. American influence, direct and indirect, is exercised either consciously or unconsciously through military power, economic dominance, politics, the force of the social trends and movements that begin in the United States and, in the broadest sense, the nation's culture. The massive role of the Soviet Union in the world community is felt as strongly in some of these respects but barely at all in others. Any other nation is as conscious, and with as good reason, of Russian military might as of American. Contrary to popular mythology in the West, the Soviet ideology does not spread only through the ways of conspiracy and military intervention. Its force and vigour are as powerful as the American philosophy. But the Soviet Union offers no counterpart to the influence of American social movements because, the U.S.S.R. not being a free society, such movements develop less easily there and, if they appear contrary to the interests and prejudices of the regime, they are harassed from birth onward. The freedom of America remains one of the powerful influences in the world 200 years after its first expression in rebellion against an imperial parent. Nor is there a Soviet counterpart to the influence of American culture in either its best or its worst manifestations.

The political, social and economic health of America is of vital importance to its friends and allies, which include most of Western Europe, Canada and diminishing areas of Asia. The word "America" itself has been used historically both by citizens of the United States and outsiders to encompass not merely a geographical area but also a set of ideas, ideals and

social forces. Reliance upon America is decreasing, but the same factors that are of intense interest to its friends are matters for wary concern among the opponents and enemies of the United States.

While President Nixon's fatal domestic difficulties were well under way, the most powerful man in the Soviet Union, Leonid Brezhnev, travelled to the United States to confer with him. A Russian official in Ottawa was asked whether he thought the President's difficulties would make it hard for him to negotiate or would offer temporary advantage to an opponent. He replied thoughtfully to this effect:

"I do not think our leaders are paying very much attention to Mr. Nixon's domestic difficulties. The thing that matters for us is that the United States is a very powerful country. That will go on."

That appraisal from an opponent was probably one of the most realistic of the foreign assessments of the effect of the Watergate affair. Since America is a colossus, the details of its national health are likely always to be complex but unless or until it finally begins to decay as Rome did its underlying strength will remain because it is based on economic and social reality. Concern for the condition of America will always fascinate a wide international circle, from the most popular to the most influential levels.

What follows is an attempt to piece together a picture of the American condition now from public sources of information and conversations with a variety of knowledgeable men and women. As it ap-

*Brezhnev's  
assessment  
of Watergate*

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pears from a friendly nearby capital, the United States still shows the wounds of a traumatic period but has in some respects recovered well from them. In others it gives reason to question how long recovery will take rather than whether it will occur. No country, no matter how strong fundamentally, can undergo the discords that wracked the United States for nearly a decade without injuries that need time to heal.

*United States  
needs time  
to heal discords  
of a decade*

### **Still imperfectly knit**

The Americans are a multi-group people of widely differing racial, national and religious backgrounds, still imperfectly knit into a cohesive whole after 200 years. The first President, George Washington, knew how great the need for a unifying process would be when, in his farewell address, he carefully avoided referring to a federal union and spoke instead of a "national union". Many of the worst discords have stemmed from the great variation in American origins and from resistance to the unifying process: the increasingly angry disputes that preceded the Civil War; the war itself, fought so tenaciously that history recognizes it as the first of the total wars in a century torn by them; the spread of the Ku Klux Klan in the 1920s until its membership climbed into the millions; the struggle of the 1960s over civil rights. But simultaneously there has existed the commitment to egalitarianism that has distinguished the American experiment from its beginnings. There has also been, and exists today despite the decline in the strength of religion, the powerful impact of Protestantism in its most Puritan form — its influence to be distinguished from the sects that were outgrowths of Catholicism rather than rebellions against it.

Beginning with the civil rights movement of the early 1960s and the closely-related urban problems in the North, the United States was subjected to a succession of bitter controversies for most of a decade. The dispute over Vietnam divided a nation where the riotous cry "Burn, baby, burn!" was always shrill and intense. Watergate did deep damage to confidence in the political process but perhaps raised faith in some members of the judiciary and clearly brought "the media" new esteem. Polls that a year or two ago showed Walter Cronkite the most trusted figure in the country still show that the news organizations are the only major institutions with increased credibility. More or less simultaneously with the great controversies, the "youth rebellion" created a "generation gap" and brought often violent campus

unrest. The use and acceptability of drugs spread. New and easier attitudes towards sex became widespread. A vigorous challenge towards authority developed among intellectuals. The new respect the news media enjoyed was accompanied by their own adoption of a more clear-cut opposition role. For many, the women's movement was deeply disturbing, especially after it became difficult to ridicule. "Consumerism" developed powerful challenges to even the most firmly-entrenched industries. Lesser combinations of such discordant forces would have strained the social fabric of any nation. The full force of them was a rigorous test of the strength of America, material and psychological.

### **Black-white relations**

Somewhat surprisingly, there is evidence suggesting that the most recent changes may be healthiest in the area that involved the deepest passions a few years ago — relations between blacks and whites. To an outsider, as no doubt to many Americans, the progress is undeniable, though the troubling question remains: Which way should the emphasis lie? On the change since the hot summers of mob violence, when block after urban block was burnt, many still not rebuilt? On the magnitude of the continuous problem? On the rise in the tolerance level among educated, sophisticated and prosperous groups in both races, in the hope that new attitudes will seep downwards? Or on the great continuing problems of accommodation, physical and psychological, at the levels where economic uncertainty reinforces suspicion and hostility? New opportunities go beyond "tokenism"; formidable problems of education and training remain to be met before opportunities can be fully grasped. Meanwhile, among non-whites, unemployment last year ranged from 13 to 14.7 per cent. Among whites, the incidence of joblessness was from 7.4 to 8.5 per cent. America, like Rome, was not built in a day — not even in two centuries. Yet few would deny that voting freedom, to choose an example from this year, will have changed so much in November as to be different in kind, not merely degree, from the election that brought John Kennedy to power.

The problems of the great American cities have been intensified by racial strife but it would be mistaken to attribute all of their difficulties to that one cause. The movement to suburbs, with deadening effects on urban centres, occurs in single-race communities as well: the prosperous flee the poor regardless of race when property values are threatened. The search for clearer air is triggered by pollution from

*Succession  
of bitter  
controversies*



thousands — hundreds of thousands — of exhaust-pipes; it remains a major factor driving people from the hearts of large cities. New York's financial problems have their origins as much in political patterns that arose during the period of mass European immigration as from the newer problems of impoverished Puerto Ricans and blacks seeking welfare benefits.

All these problems are intensified in the cities where the riots of a few summers ago burnt out whole commercial districts. But no one fears a "hot summer" this year.

The changes do go beyond the symbolic level. The costly, Ford-inspired effort to bring life back to the heart of Detroit, so-called "Murder City", may perhaps be doomed by problems that resist material solutions, but it is a brave attempt and belongs in the American tradition of conscious efforts to shape the future.

### Continuing concern

There are three particular areas, however, where nations friendly to America have continuing cause for concern and from which, equally, opponents may derive satisfaction. These lie in the military position of the United States and in some aspects of the political and diplomatic processes.

In a world where the predominant nuclear fact is the existence of vast "over-kill" capabilities, shifting national advantages may be more theoretical than real. The only objective compatible with survival is protection of the nuclear stalemate. It has been accepted that only three future courses remain feasible in the conduct of international rivalries: Cold War, limited war or *détente*. Each of these requires effective levels of conventional weapons.

When stated as a percentage of gross national product, American military spending has declined from 9 to 6. The draft has been ended and the size of the American forces has declined by 600,000 from the levels existing *before* Vietnam. The Soviet forces have risen by just under 1.5 million men in the last 16 years and at 4.4 million are twice the size of American forces. If the United States is unwilling to increase its military spending, its allies are doubly so. Yet the military expenditure of the Soviet Union continues to rise steadily, providing not only the necessary nuclear component of defence but a very high level of non-nuclear forces. A substantial portion of this can be partly disregarded as essential to the Soviet Union's own sense of security and hence essentially defensive. A further portion is directly attributable to severe tensions within the Communist

world, notably those with China. An impressive marginal strength in all arms, but particularly in the naval branch, remains. It cannot be ascribed solely to defensive objectives and is available to influence events to other ends.

The history of the Soviet Union includes remarkably little military aggression by great-power standards, although there has been a conspicuous reluctance to withdraw the Red Army from any area where it becomes established. The policies of the U.S.S.R. have been steadfastly expansionist in other ways, however, and official spokesmen of that country have not pretended that the development of *détente* deters this. *Détente*, which is simply a means of managing and accommodating tensions, is under attack in election-year America and the President has removed the word from his vocabulary, though presumably retaining the policy. He has also removed from his Cabinet the Secretary who had the most hard-headed and realistic approach to contemporary tensions, James Schlesinger.

*Hard-headed  
and realistic  
approach of  
Schlesinger*

### Conventional forces

As Defence Secretary, Mr. Schlesinger argued for a high level of conventional forces — in part because he feared that nuclear risks were increased without them, in part because he believed in the possibility that the Soviet Union would use its marginal military strength at least to exert pressure and secure influence, if not for direct interventions. American military strength has been used so freely in the last quarter-century that this possibility ought not to seem unreal, yet Mr. Schlesinger's countrymen dismiss somewhat lightly such appraisals as this:

"The decade ahead will be a testing time for the Western democracies. The outcome will critically depend on the role the United States assumes, on its ability to attain renewed consensus and common purpose, and on its willingness to maintain a sufficient margin of military power to preserve a military balance in those sectors of the Eastern Hemisphere vital to our security . . . . The United States today still represents the only potential counterweight to the military and political power of the Soviet Union . . . . We may resent that fate or accept it, but it remains the fundamental reality of global politics."

In post-Vietnam America such a rigorous view of responsibility is not yet welcome. Simultaneously, there is evident a Congressional distrust of the management of American foreign policy. In part this is a legacy of Watergate, in part an outgrowth of Dr. Kissinger's carelessness

towards his Congressional relations, a weakness he himself has acknowledged on private occasions. Yet, more seriously, it appears to represent a recoil from global responsibilities because some previous interventions have proven mistaken and excessive.

There have been significant expansions of the Communist world for which American policy failures have been in part responsible. It appears likely that there will be more. Congressional obstructions of a controversial Secretary of State are not an adequate response to that problem. The world has not yet entered on a utopian era free from great conflicts of national interest and major problems of security. Part of the danger of a psychological American withdrawal lies in the possibility that, when public opinion is galvanized again by some event, there may be an excessive reaction.

### **Pendulum**

In the United States the pendulum swings hard, driven in part by the sense of morality that underlies the "American Idea." We see some of this in the force of current attitudes towards Third World excesses. More than two decades were needed for the same moral intensity to subside sufficiently for President Nixon to reopen contact with China. Dislike of compromise is one of the burdens of a people who can only exist as a nation through internal compromise, in a world where external compromise is necessary for survival.

The American political parties are coalitions, existing through compromise between often widely-differing factions. This smooths out some American differences but, when people become polarized politically and socially, compromise offends and alienates them. Professor Samuel P. Huntington of Harvard, one of the most distinguished scholars studying the American condition, writes:

"The essence of the democratic surge of the 1960s was a general challenge to existing systems of authority, public and private. In one form or another, this challenge manifested itself in the family, the university, business, public and private associations, politics, the governmental bureaucracy and the military services. . . . The questioning of authority pervaded society. In politics, it manifested itself in a decline in public confidence and trust in political leaders and institutions, a reduction in the effectiveness of political institutions such as the political parties and the Presidency, a new importance for adversary media and critical intelligentsia in public affairs and a weakening of the

coherence, purpose and self-confidence of political leadership."

Opinion surveys show clearly how sharp a decline there has been in American confidence in political leaders and institutions, and Professor Huntington points to one of the dilemmas this has produced: the role of government measured by its spending and its range of activities has greatly increased during a period when its authority has seriously declined. Simultaneously, the power of the Presidency has been weakened in the face of Congressional power, which is structurally incapable of producing the leadership essential to government. Great Presidents have always been powerful Presidents.

Professor Huntington was the author of the American section in the Trilateral Commission's study of the governability of democracies. His conclusion is that the upsurge of democracy in the 1960s produced true problems of governability and that "democracy can very easily become a threat to itself in the United States".

### **U.S. economy**

If the condition of politics in the United States is a matter for continuing concern, the condition of the American economy has become much less so. Growth is variously forecast as likely to be from 5.5 to 6.5 per cent this year, with the White House using 6.2 per cent in its budget forecasts. The Commerce Department's most recent survey notes a slight cut-back in investment intentions but records brisk consumer demand, with a moderate recovery in automobile sales. Industrial production has risen steadily since last April, when it reached its low point. The momentum of recovery from a deep recession has been steady for several months. Inventory liquidation appears to have been about completed, with some rebuilding of stocks beginning to take place. Unemployment, still severe, is dropping.

These material changes are of great importance to other nations. A great many — and Canada far more than most — are deeply affected by the state of the American economy. Unemployment in Canada will not decline much until exports to the United States improve substantially. The signs have become more encouraging.

What then, in its two-hundredth year, is the true condition of America? What is the situation left after the great democratic surge of the 1960s, the wrenching controversies that accompanied and followed it, the inherent difficulties of this period in history? The size and complex variety of America eliminate simple conclusions.

*Dislike  
of compromise  
a burden  
for the people*



It is equally valid to point to the progress evident in race relations and to the gravity of the urban and financial problems of New York. One represents progress towards the historic American ideal of egalitarianism; the other, the extreme difficulty, not limited to America, in contending with the problems of urbanization on an unprecedented scale that has brought all but a small minority from the countryside to increasingly-congested urban clusters. Although the American political process has not yet recovered fully from the strains of Watergate, the political system itself proved strong and healthy enough to force from office a President who had grossly offended the standards of his countrymen and to prosecute successfully henchmen who had turned to illegalities in his support. Watergate and My Lai have characteristics in common. Both were

gravely wrong. Yet America was unique in its ability to expose and deal with a shocking massacre in the midst of a war. For many other countries the question posed by Watergate has always been not "Could it happen here?" but "Could we cope with the exposure of it?"

*Other countries must ask if they could have coped with a Watergate*

At its two-hundredth anniversary, America has been through one of the deeply-troubled periods that at intervals have marked its history. This one has been far less violent than the terrible discords over slavery that culminated in the Civil War. It has brought incomparably less hardship than the Great Depression. The problems, nonetheless, have been grave and, as with those earlier periods, the solutions will probably demand new political coalitions and alignments that have not yet been worked out.

## *Canada's neighbour*

# The complexities of electing a United States President

By Ben Tierney

Canadians who, every four years or so, find themselves feeling ever so slightly guilty because they never quite understand how Americans go about electing their President should forthwith unconditionally pardon themselves. The fact is that Americans don't understand it either.

Certainly, tucked away in political science departments from Boston to Berkley, from Washington State to Texas A and M, there are professors who are, should someone incautiously ask, capable of suffocating the life out of any dinner party with a complete explanation. But thousands of intelligent, usually well-informed Americans — to say nothing of the great unwashed and apathetic masses — have only the vaguest notion. And even the country's politicians, some of whom become involved in the process, or would like to, are normally far from expert.

The reason is simply that the procedure for electing a President of the United States is very complicated indeed. Committed to paper with precision, an explanation of the process would, by comparison,

make the U.S. Constitution, the British North America Act and the Treaty of Versailles rolled into one seem as straightforward as a five-year-old's bedtime story.

To begin with, the American way of choosing a leader must be longer than that of any other country in the world. Most casual observers of the process, if asked, would tell you that it begins in the spring of every election year (which is every leap year) with the New Hampshire primary. This is wrong — it begins much earlier.

President Ford, for example, announced that he would be a candidate in 1976 back in July 1975 — fully 16 months before voting day (November 2). Ford's challenger for the Republican nomination, Ronald Reagan, the former Grade-B movie star who became Governor of California, announced that he was in the running in November, and months before that a committee had been formed on his behalf to raise funds for his campaign, once it was announced. Jimmy Carter, the former Governor of Georgia who, as this is written, is in the process of establishing himself as

*Long process for selection of a leader*

the leading contender for the Democratic nomination, actually started his campaign in 1974, relentlessly touring the country after completing his term as Governor.

Even if one discounts early campaigning and fund-raising as part of the true electoral process, it cannot be said that New Hampshire is the beginning. For long before that the caucuses begin that lead to the choice of party convention delegates in non-primary states. This year, Iowa was the first, on January 19 — more than a month before the New Hampshire primary.

The caucuses are not easy to explain. However, they are perhaps best described as grass-roots “in-party” votes within grass-roots “in-party” votes, which, over periods of weeks or months, lead to the selection of delegates to both the Republican and Democratic national conventions.

### **Iowa example**

For instance: Iowa held what are called “precinct caucuses” on January 19, at which registered voters within the state’s various precincts voted for delegates to the state’s county conventions, some of the delegates having put their names forward as being committed to a particular Presidential candidate and some having put their names forward as uncommitted. At the county conventions, the chosen delegates then vote on who should be delegates to the state convention. The state delegates then decide which delegates will go to the national convention.

To illustrate how long this procedure can take we shall take a look at the Republicans in Iowa. Their precinct caucuses, as previously stated, were on January 19, their county conventions on February 28, and their state convention on June 18 and 19. But, while the caucus procedure might strike one as odd and unnecessarily involved and, while it is certainly given much less attention as a rule than the primary method of sorting out Presidential nominees, its importance should not be

underestimated. It was his victory in the January 19 Iowa Democratic precinct caucuses over better-known Democrats such as Indiana Senator Bich Bayh and Arizona Representative Morris Udall that gave Jimmy Harris his early push to prominence. And that prominence has since been reinforced with other precinct caucus wins.

But the heart of the U.S. Presidential election process is the primaries. Exciting headline-making contests, they have always held the power to make or break a candidate for the Presidency of the United States, and this year, with 29 of the 50 states, plus the District of Columbia, choosing to go the primary route (compared to 23 in 1972 and 17 in 1968), they are more important than ever. In 1976, approximately 75 per cent of the delegates who arrive at the national conventions — the Democrats will stage theirs in July in New York, the Republicans in Kansas City in August — will have been selected as a result of primary votes.

### **Differences**

Not all primaries are the same, however. There are states that choose their delegates on a winner-take-all basis. There are states that use a proportional-representation system to determine how many delegates are allotted various candidates. There are states that use a mixture of both, states that hold “loophole” primaries (so-called because they get round national party rules and get away with doing so) and states that hold “beauty contest” primaries (so-called because, beyond psychological impact, they do not mean very much). And there are states that allow “cross-over” voting. The rules vary, endlessly, from state to state, from party to party.

To illustrate the differences, a number of state primaries are worth while examining. New Hampshire, customarily the first of the primaries, is divided, in the case of both the Republicans and the Democrats, into two ballots. The first of these is the Presidential preference vote, in which registered voters cast their ballot for the actual Presidential candidate — Ford or Reagan, and Carter or Udall or Bayh, and so on. The second ballot offers a choice of delegates to the national convention, who may run as “pledged to” or “favourable to” a particular candidate, or as “undesigned” delegates.

The first ballot — the one in which the voter chooses his Presidential candidate directly — is, technically speaking, meaningless. It does not count in the allotment of delegates to the convention. Its sole

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*President Gerald Ford of the United States has been on the campaign trail in recent months seeking the Republican nomination for this year's Presidential election. He is shown here surrounded by supporters in Tampa, Florida, where he won the primary over his leading opponent, former California Governor Ronald Reagan.*

worth is the psychological impact it may have on the voters outside the State of New Hampshire. The second ballot decides which candidates get which delegates, and thus the number of votes the state will cast for them at the convention.

In this year's New Hampshire primary, Gerald Ford narrowly defeated Ronald Reagan, by 51 to 49 per cent, in the Republican Presidential preference vote. But, in the delegate-selection vote, Ford won 19 of the state's 21 Republican convention delegates. On the Democratic side, Carter won with 30 per cent of the vote to Udall's 24 and Bayh's 16, while others trailed. But, when the 17 delegates to the Democratic convention were counted, Carter had 13, Udall had four, and Bayh and the others had none.

### **Massachusetts**

The Massachusetts primary, the second in the nation in 1976, differs from New Hampshire in several respects. First, while a candidate for Presidential nomination may decline to participate in the New Hampshire primary — as did former Alabama Governor George Wallace and Washington Senator Henry ("Scoop") Jackson this year —, candidates have no such choice in Massachusetts. State law

requires the State Secretary to list all "nationally-recognized" candidates for the Presidency.

Secondly, Massachusetts has only one ballot, the Democratic and Republican delegates being elected on a proportional-representation basis in accordance with the number of votes they receive. But, in the case of the Democrats, 78 of the state's 104 convention votes are allocated in proportion to the votes within a specific Congressional district (provided a candidate has at least 15 per cent of the vote), while the remaining 26 delegates are chosen, again in proportion, on an "at-large" basis. In the case of the Republicans, no 15 percent minimum is applied. Of their 43 delegates, 36 are chosen in proportion to the primary vote at district caucuses, while the remaining seven are chosen by a state committee.

The main interest of the Illinois primary, the first of the big mid-Western primaries in 1976, is that individuals seeking nomination as delegates (like New Hampshire, Illinois has two ballots) do not have to have the permission of the candidate they say they will support at the convention in order to have their names placed on the ballot. Thus such avowed non-candidates for the Democratic nomi-

nation as Senators Edward Kennedy of Massachusetts and Hubert Humphrey of Minnesota find themselves in the running whether they like it or not.

Furthermore, the Illinois primary is not restricted to registered party members, as in some states, or to registered party members plus registered independents, in others, but is open to any qualified voter. A voter need only declare his party preference, however recent, at the polls, and vote on the appropriate side of the ballot — Republican or Democrat.

Wisconsin, the state where the U.S.-primary system began, is even more accommodating. It is a “cross-over” state in which a registered Republican, if he has a mind to, can vote for the candidate he least likes on the Democratic side, and thus hope to aid his Republican choice in the actual Presidential election months later, while a registered Democrat can do precisely the same on the Republican side.

It should be noted, however, that this practice has brought Wisconsin Democrats into conflict with the national Democrats, who, in an attempt to reform their primary rules after the 1972 election, decided that cross-over voting would no longer be permitted. Thus, the Wisconsin Democratic primary in 1976 has become a unique sort of beauty contest, and no one seems quite certain just how the state is finally going to decide who it wants to represent it at the national convention and how it wants him to vote.

### Other variations

There are other variations from state to state that should be mentioned. In the New York primary, there is only one ballot but, unlike the Massachusetts ballot, that one does not offer the names of the various candidates for the Presidency. Instead it offers the names of individuals who want to be convention delegates, and it does so without the slightest indication of which candidate a would-be delegate will support at the convention. Thus, if a voter in New York wants to vote for Ronald Reagan or Jimmy Carter, he must do personal research before voting day. The piece of paper in the voting booth will offer no help.

To be fair, the national Democratic Party rules require the state Democratic committee to make public the inclination of persons running for delegate, but the practice of not listing delegate affiliation on the ballot nevertheless tends, as with the Republicans, to minimize the influence of the individual voter and maximize the influence of the state’s political leadership in determining the make-up of the delegation to the convention. In the case of the

Democrats, it will almost certainly work to the advantage of New York Governor Hugh L. Carey, who is running as a “favourite-son” candidate in the state and who wants to go to the convention with a substantial number of the state’s 274 Democratic delegates committed to him.

The degree of commitment required of delegates to the national conventions also varies widely from state to state. In New Hampshire, both parties require that a delegate chosen as committed to a particular candidate stay with that candidate until he withdraws from the convention balloting. In Massachusetts, delegates are required to stay with their candidate until he releases them, which usually amounts to the same thing. But in other states delegates are only required to stay with their candidates through a specified number of ballots. Texas, for example, requires adherence to the pledge of support through three ballots unless the candidate receives less than 20 per cent of the total convention vote on the second ballot. Florida requires adherence through two ballots unless the candidate receives less than 35 per cent of the vote on the first ballot. Indiana requires allegiance for just one ballot, while other states, such as West Virginia, have no state law or party rules to bind the delegate to do anything other than precisely what he or she pleases from the moment the convention begins.

### Power varies

The power of individual states, of course, varies enormously once they reach the national conventions. California has the largest “clout” at both the Democratic and Republican conventions, with 280 and 167 delegates respectively. New York is second, with 274 and 154, while smaller or less-populous states, like Rhode Island and South Dakota, have enough delegates to be of influence only in the case of an extremely tight finish — 22 Democrats and 19 Republicans in the case of Rhode Island, 17 Democrats and 20 Republicans in the case of South Dakota.

Tightly-fought conventions have been the exception rather than the rule in recent times. Not since 1952 has there been a convention, either Republican or Democratic, that lasted more than one ballot. But this year could see a return to the old days in the case of the Democrats, owing largely to the number of candidates seeking that party’s nomination.

To obtain the nomination at the convention a candidate must secure an absolute majority of the delegate votes. In the case of the Democrats, the total number of delegate votes is 3,008 and the “magic

*Wisconsin  
primary  
a unique  
beauty contest*



number" for nomination is 1,505. With the large number of Democrats seeking their party's nomination (no fewer than 11 were officially in the contest before the first precinct caucus vote was cast), it is entirely possible that the convention delegates will be so broadly committed as to offer no single candidate a chance of quick victory.

It is then that the delegates who have run and been chosen as uncommitted delegates — those under the control of men like New York Governor Carey and those from states that do not require adherence to a candidate beyond the first ballot — become very important indeed. Then the process that is known as "brokering" begins, the managers of the various candidates with a chance "wheeling and dealing" in an effort to win support to their side. It is then, too, that the possibility of a deadlocked convention arises — a convention so rigidly divided between two or more declared candidates that the delegates begin to look elsewhere for a compromise candidate who, for whatever reasons, is sufficiently appealing, or inoffensive, to all sides to bring them together. Hubert Humphrey, the party's nominee in 1968, is counting on this happening in 1976. While he has declined to compete in any primaries (he says they are debilitating), he has let it be known that he will be available for the nomination in case of a deadlock. George McGovern, the party's 1972 nominee, has said much the same.

Once the two party's have their nominees, and the Presidential nominees have chosen their Vice-Presidential running-mates, the procedure for selecting a U.S. President becomes simpler. But it may not, even at this stage, be a straightforward choice between two Presidential and two Vice-Presidential candidates. U.S. law allows individuals who wish to run as independent candidates, or as third-party candidates, to have their names placed on the Presidential ballot provided they can obtain a certain number of signatures on petitions of support in each of the 50 states. This year, Eugene McCarthy, the man who came close to winning the Democratic nomination in 1968, is determined to do just that. And there remains the very real possibility that George Wallace, having been denied the nomination of the Democratic nomination once again this year, will do what he has done once before — create the American Party and run as its Presidential nominee.

But even if the 1976 Presidential election does boil down to a choice between Republican and Democratic candidates, the American public will not quite

have a direct say in who will be the next man to enter the White House. For, at this point, that incredible apparatus known as the electoral college comes into play.

### Electoral college

On November 2 this year, when Americans go to the polls, they will not, technically speaking, be voting for a President or a Vice-President but for a slate of Republican or Democratic electors that is numerically equal to their state's representation in Congress. The chosen slates, be they Republican or Democratic, are then brought together to form the electoral college. And, long after the average voter has had his say (on the first Monday after the second Wednesday in December of each leap year, to be exact) these slates, consisting of 538 individuals, decide who the President and Vice-President will be.

In practice, of course, the choice of the electoral college should match the choice of the people on election day (precisely defined as the first Tuesday after the first Monday in November of each leap year). But it need not happen that way. For, while the Democratic slates that are chosen in their state invariably vote for the Democratic Presidential nominees, and the chosen Republican slates invariably vote for the Republican nominees, they are not constitutionally bound to do so. Also, the slates are chosen in each state on a winner-take-all basis. Thus, by winning by a narrow margin in very large states while losing by wide margins in smaller states, it is possible for a Presidential candidate to win the Presidency in the electoral college vote while accumulating a smaller percentage of the country's popular vote than his opponent.

This happened in 1824, when John Quincy Adams won the Presidency. It happened again in 1876, when Rutherford B. Hayes was chosen, and in 1888, when Benjamin Harrison was elected. And it very nearly happened again, as recently as 1960, when John F. Kennedy beat Richard Nixon.

Still, assuming all goes well, Americans should know on the evening of November 2, 1976, who their President and Vice-President will be for the opening years of their third century. Two months later, it should be confirmed — in time for the inaugural address and the attending celebrations.

Then Americans need concern themselves only with what it all cost them. For, under a new campaign-finance law passed in 1974, in the wake of the Watergate scandal, each candidate who is able to

*Presidential candidate can be elected with minority of popular vote*

raise \$20,000 in contributions of \$250 or less in each of the 50 states qualifies for public contributions matching whatever else he raises to finance his effort. Parts of this law, in particular those parts that placed limits on how much candidates could spend, have since been struck down

by the United States Supreme Court, leaving Americans in 1976 with a set of rules governing election spending that are as difficult to understand as the election procedure itself.

But that is another story — another very long, and very complicated, story.

*Canada's neighbour*

## America after *détente* ... towards an Atlantic orthodoxy

*Bicentennial backtracking*

By Georges Vigny

The United States of America, whose colossal stature is not an accident of fate — and even less of history —, is today a demonstration, probably without equal in the annals of the past, of democracy at two levels — domestic policy and foreign policy. These two levels have such a close causal relation that it is practically impossible to tell if one is the cause or the effect of the other.

It has been said that America's foreign policy is conditioned by the situation within the country. This is no doubt true, as is the opposite proposition: in this Bicentennial year, which is also that of the Presidential election, the campaign speeches of all candidates in the race, Republican or Democrat, provide ample proof that foreign policy is part of everyday life in America. It was not so long ago that a President of the United States, enmeshed in an election scandal partly of his own making, set out on a quest for the Golden Fleece in the Middle East.

Moreover, this involvement in the world scene, associated with the giant stature of a global power, means precisely that half of humanity is affected by the race to the White House. The "Middle American" from the Midwest who goes to

cast his ballot is really doing something far weightier, perhaps without fully realizing the true significance of his act — he is also electing a President, for a four-year term, for over half the earth.

But besides this interpenetration of the two levels of American democracy, one particular characteristic of what we shall call "American-style internationalism" should be indicated: a divided political conscience, which permits the democratic values so staunchly defended at home to be ignored beyond the borders of the U.S., either by direct military intervention or by covert attempts to undermine other regimes. If American leadership is a golden apple, this contradiction is surely the worm inside it.

To hold its own (and the larger the scale, the greater the difficulty), such a power relies on a network of privileged relations, or a system of alliances, whose major challenge is not to be content with merely maintaining the status quo. "Leadership" necessarily implies "alienation". Without wishing to oversimplify (or even caricature, as some might do), we can say that postwar history is the history of the power drive of the United States, as it followed first a strategy of "containment" and then a policy of *détente* — both designed if not to push back then at least to limit Soviet expansion.

Without adopting a Manichaean view of the world, we have to admit that, in such distant theatres as Southeast Asia, southern Africa, the Middle East and

*Foreign policy  
is part of  
everyday life  
in America*

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Europe, there is always the same rivalry between what Peking calls the two "hegemonies". We could say, perhaps somewhat arbitrarily, that, given the interactive nature of these various seats of conflict, the balance of power sought today by both Washington and Moscow suggests a great split from one corner of the earth to the other — a wound that must heal along the boundaries of the two blocs in Europe.

This means that the priority in the American alliance system is given to the Atlantic Alliance (NATO); if yesterday the American super-power was born at the cost of the blood shed on the beaches of Normandy, the crux of the problem still lies in Europe. Of course, there are some regional alliance systems, like the Organization of American States (OAS), that are still in operation, while others, such as ASEAN, have been crippled by the fall of governments. But, as even President Ford and Dr. Kissinger have admitted, the keystone of United States foreign policy is the Atlantic Alliance. Assuming that this is true, the obvious corollary is that the future of NATO is also that of American world leadership. It is also a fact that all the major problems of the day are related through this key alliance: the Conference on Security and Co-operation in Europe (CSCE), which came to such a dramatic close in Helsinki just a year ago; the Conference on the Mutual Reduction of Forces in Central Europe — the one-time MBFR, which, in losing its "B", has also lost its meaning; the very conceptions of "containment" yesterday, *détente* today, which take on their full meanings in Europe, where NATO and the Warsaw Pact come face to face. In this context it is easier to understand — now that the word *détente* itself (has this word, in fact, ever been anything but a euphemism — even a snare?) is being repudiated, together with what it conveys — Washington's increasingly explicit warnings to its Western European allies that are tempted (or threatened) into a socialist alliance with the Communists.

### Linguistic clarification

The first clarification to be made is of a linguistic nature, and as Europe becomes increasingly integrated this problem will assume great proportions. In seeking to revitalize the Atlantic Alliance, which some members (such as Canada), stressing the perpetuation of democratic values, now see as something more than a strictly military pact, the United States has created serious tension within the European Economic Community (EEC): it is no secret

that the policy of De Gaulle's France was to unite Europe against American power, while the German partner has always favoured the Atlantic connection over the European one. It was inevitable that this problem would be reflected in the choice of words; what exactly is this "partnership" proposed by Washington to its grown-up European allies, which comes out in French as "association"? The semantic dispute, which reached a climax during the Year of Europe and aroused the ire of the then French Minister of Foreign Affairs, Michel Jobert, against Henry Kissinger, touches on the central issue of the debate: association with the United States means for Europeans that this super-power, which some of them are even now seeking to keep in check, is party to the agreement and that, as a result, Washington has a say in Europe's progress towards a presumed integration.

The paradox is that the United States, in offering "partnership", and therefore a more flexible and non-restrictive operating framework, is basically seeking exactly what some Europeans reproach it for in the French term "association" — a right of prior inspection that, from the strictly European point of view, would be an alienation of rights.

The United States can be criticized for a power drive that is encouraged by the passiveness of its allies, but it cannot be accused of cheating about its intentions, for, without making any value judgment, can we deny the fact that these European countries are also, first and foremost, partners in the Atlantic Alliance? If anyone is trying to be equivocal, it is certainly not the Americans.

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### Defence in Europe

Accordingly, we have to acknowledge that the American troops stationed in Europe — and Dr. Kissinger finally admitted it publicly in March, in answer to Senators Percy and Ribicoff — are there first of all to defend American interests. We shall not deal here with the strictly military problem, either its bookkeeping aspect or its concern with the interchangeability of armaments (that headache of NATO commanders). Our purpose is simply to show the other side of the coin — by defending American interests in Europe, the troops deployed against the Warsaw Pact forces are at the same time defending Europe. It is misleading, not to say futile, to argue that, if there is a threat in Europe, it is because the Americans are there and that the Warsaw Pact forces exist because the NATO forces exist. This

type of reasoning, as self-indulgent as it is naïve, which attempts to prove the feasibility of a unilateral reduction in American forces, fails to take into account the vital necessities of the Soviet Union's inherent expansionism.

Is it possible today to defend Europe almost in spite of itself? In other words, is it possible to hold the European front lines without the Europeans themselves sending in reinforcements?

Although it might seem surprising, it is quite clear that this apparent European disaffection, backed by a nationalistic spirit rarely denied in certain Western European countries that accepted American leadership only as a postwar economic necessity, is using *détente* as an excuse. In the midst of a world-wide economic crisis, in the midst of an energy crisis that has shaken most of the European countries, can we justify increased military spending while, at the same time, pretending to believe in *détente* and strategic-arms limitation?

The orchestrator of American policy, of whom it is said that he changes hats depending on the role he has to play, has thus been caught at his own game, which consists mainly of creating illusions. How can you be involved in painstaking negotiations to limit — qualitatively or quantitatively — the forces of the two camps in Europe and at the same time ask your allies for greater military investment? How can you talk simultaneously about the reality of *détente* and the feasibility of limited nuclear reprisals in the case of a Warsaw Pact attack on NATO? How can you claim that the CSCE is a historical landmark in that it shows promise of co-operation in a Europe without ideological boundaries while at the same time there are barriers going up behind which the Soviet Union seeks to keep a free hand? Finally, how can you claim that the Cold War is a thing of the past and then call for vigilance? Until recently, it was possible to exercise leadership by alternating the carrot and the stick, but now it is extremely difficult to distinguish the one from the other.

### **Danger point**

Without denying the requirements of electioneering, which are just as valid in North America as they are on the other side of the Atlantic, we come to the conclusion that the danger-point has been reached. Involved in an exhausting constitutional debate with Congress — one more illustration of the interpenetration of the two levels of American policy — and, as a result, unable to forestall or contain the

adversary's advances, the American administration has adopted a policy of putting its European allies on their guard. We can see in this the beginnings of an Atlantic orthodoxy. It is a fact that the concern of the United States at seeing countries like Italy and France tempted by a popular-front socialist-Communist alliance also implies an acknowledgment of the failure of Kissinger's illusion-mongering. The American reaffirmation of the rejection of the popular fronts at this particular time marks a shift that is all the more significant in that it takes place during the Bicentennial year. We should note in passing that none of the candidates for the Presidency in November has had a good word to say about *détente* — not even President Ford himself; on the contrary, almost all of them have attacked either this policy, "which has done nothing more than give Pepsi Cola a concession in Siberia", or the man whose name will forever be connected with this myth of "containment" tailored to suit economic complementarity.

But the tragedy is that the alliance system — set up when the partners and allies, ruined by the war, had no choice but to be yes-men to Washington — depends on the power of the United States in contrast to the docility of the Western European countries. In spite of attempts to reinvigorate or revitalize NATO, it can never be changed to such an extent that the United States is no longer clearly the leader; should that ever happen, it would no longer be NATO. Without commenting on the content of either of them, we can say that this pact is like its Communist counterpart; is it possible to imagine a collegial Warsaw Pact? Here is one case where a collegial structure is unquestionably the antithesis of efficiency. Compromises are possible between the partners in NATO — as opposed to the Warsaw Pact, in which there is one powerful state surrounded by satellites — but always with the strict limitation imposed by the fact that the red button is under the control of the Americans alone.

Can Washington today still impose its point of view on all its allies, most of which have reached, or think they have reached, the "age of reason"?

There is one fact that should not be overlooked: in their response to American diplomatic contacts with European politicians and to the various official warnings, the Europeans have rebelled primarily against the form of this interference in the internal affairs of France or Italy; others, and justly, have contested the right of General Haig,



Supreme Commander of the NATO forces, to interfere in the political life of the allied countries. The French Minister of Foreign Affairs has stated that the French have the right to choose their own leaders. However, taking everything into account, the warnings issued and steps taken by the Americans had both form – admittedly rather awkward – and content. In warning the socialists in a country against an alliance with the Communists, Washington is not questioning whether this country will remain within the Alliance in the case of an electoral victory; it says that this country, co-governed by Communists, cannot be a sincere ally of NATO, first because its security priorities would not be the same as those of its 14 partners and secondly because allowing Communists within the fortifications built specifically as a defence against Soviet expansion would be the same as giving Moscow its own special spy in the Western camp.

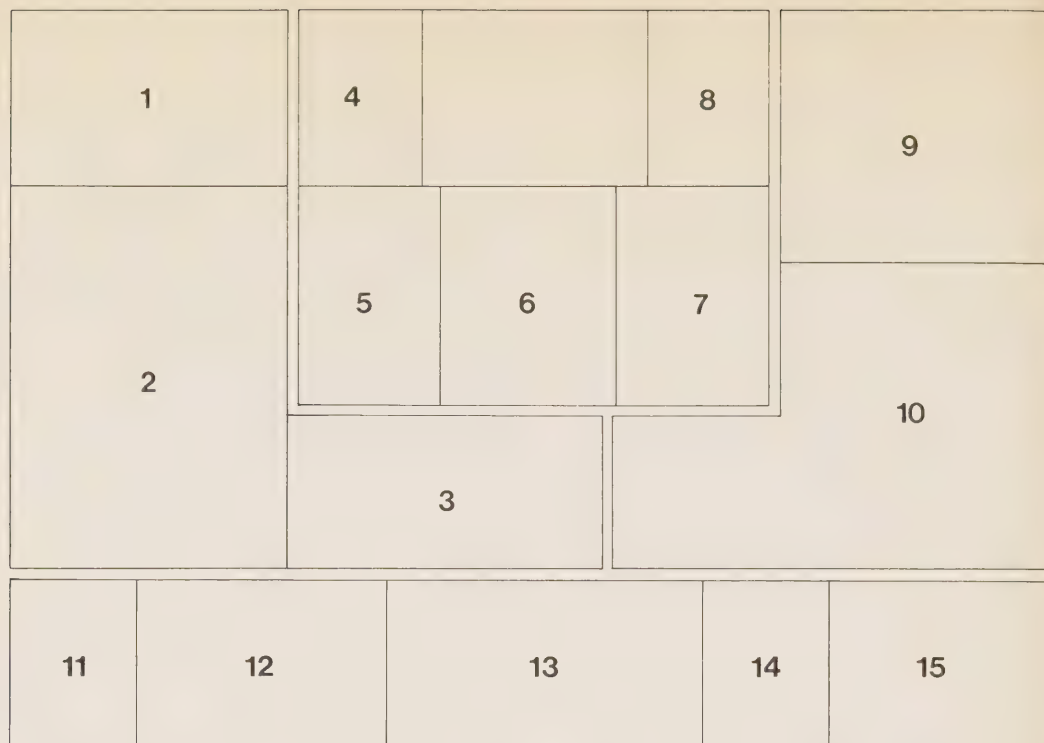
To reply by defending the right of the French or the Italians to choose their own leaders is to avoid answering the very question on which both the future of American world leadership and the fate of the NATO allies depend. Canada's case is special, since American leadership with respect to its affairs is not provided through NATO; for this reason Canada's diversification by way of the "Third Option" can operate on the bilateral level without harming its Atlantic connection. However, this is not the same as the general relations of the Atlantic allies with Washington, in which a loosening of Atlantic ties necessarily leads to a weakening of American leadership.

Paradoxically, in the refusal of the Europeans to answer Washington's real question, there is a deeper, firmer commitment than in all the vague statements of principle intended to appease the United States. Because, in fact, in order to respond suitably to the concern voiced by

the Americans, the European reply could come only after each of the countries involved had thoroughly discussed, within its own borders, the validity of the Atlantic connection. What is, in fact, happening? Refusing to comment on the content, the allies approached are answering with comments on the form of the measure; they avoid saying, for example, that NATO is an anachronism and that having American leadership is like dragging round a ball and chain. And if a European socialist avoids giving such an answer, it is because he has no choice, for the time being, but to remain in the Alliance. Does this mean that a Communist, then, could enter into the Alliance? Probably not, because if, as Dr. Kissinger has charged, this popular front is merely a vote-catching manoeuvre, it is difficult to see how such a coalition of convenience between opposition parties could survive the obligations and specific commitments these parties would have to honour once in power. All the same, to become unduly concerned, as Washington is doing, is also to have a very low opinion of the other partners, which, in the specific case of Portugal, while refusing Spain's entry, have shown a pro-Atlantic spirit that should be reassuring.

In conclusion, can we say that the American alliance system, founded on the negative approach of containing a Communist adversary, necessarily needs an unsettled world situation in order to survive? To a certain extent, perhaps; but the essential thing is the connection not so much between the allies and Washington as among the allies themselves – in short, the feeling of belonging to a single democratic system that favours individual liberty and the other common denominators of high-mindedness and vitality without which an alliance is nothing more than an agglomeration of interests without any real impact on the course of history.

*European  
socialists  
have no choice  
but to remain  
in Alliance*



### Key to photo review of *Between Friends/Entre Amis* (pages 22-23)

#### The Land

1. **Near Haines Highway, British Columbia:** Paul von Baich — Mile 0 on the Haines Highway is in Haines, Alaska.
2. **Coast Mountains, Alaska/British Columbia:** Paul von Baich — Taken during a flight from Whitehorse, Yukon, across the border to Juneau, Alaska. Much of the 825-mile British Columbia/Alaska border runs through the Coast Mountains.
3. **Near Climax, Saskatchewan:** John de Visser — Wheat-field in the southwest corner of Saskatchewan. Nearly three-quarters of Canada's wheat is grown in Saskatchewan.

#### The People

4. **Norton, Vermont:** Michel Campeau — Lester R. Chase and his dog are residents of Norton, population 207.
5. **Sardis, British Columbia:** Robert Minden — Jill Townsend lives in Sardis, a small town on the Trans-Canada Highway about eight miles from the U.S.-Canada border.
6. **Happy Camp, British Columbia:** Paul von Baich — Three generations camp near the Chilkoot Pass in July.
7. **Monadnock Mountain, Vermont:** Michel Campeau — Brian Strobel and Diana Dustin at Monadnock Mountain, Vermont, seven miles from the border.
8. **Fort Erie, Ontario/Buffalo, New York:** Judith Eglington — Marie Czepyha is ice-fishing on the Niagara River about two feet from the U.S./Canada border.

#### The City

9. **Buffalo, New York:** Peter Christopher — The Peace Bridge between Buffalo, New York, and Fort Erie, Ontario, was built in 1927 to celebrate a century of peace between Canada and the United States.

The bridge, which is probably the busiest of all the Canada/United States border crossings, is administered jointly by the Government of Canada and the State of New York.

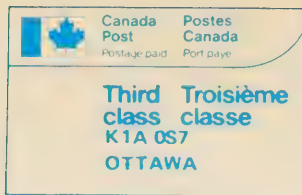
10. **Toronto, Ontario:** Peter Christopher — The Toronto skyline is dominated by the 1815.4-foot CN Tower, the tallest free-standing structure in the world. The Tower is 14.25 miles from the border, which runs through Lake Ontario.

#### The Border

11. **Demarcation point, Alaska/Yukon:** Paul von Baich — The aluminum-bronze international boundary-marker was placed on the shore of the Arctic Ocean in 1912.
12. **Mile 1221, Alaska Highway:** Paul von Baich — Peace marker at Mile 1221 was set up by the only Kiwanis district in North America whose territory crosses the international border.
13. **Estcourt, Quebec/Estcourt Station, Maine:** Randal Levenson — Georges and Cecile Béchard's house is built on the Quebec/Maine line where the U.S. post office and U.S. customs station, both built on the Maine side of the line, have Quebec telephone numbers. The Béchards are citizens of the United States.
14. **Trailcreek, Montana:** John de Visser — Trailcreek border-crossing road is used only during the summer, and then almost entirely by trucks bringing lumber into the United States. There is no Canadian customs station at the frontier and customs clearance is usually performed by the nearest RCMP constable.
15. **Fort Covington, New York/Dundee, Quebec:** Michel Lambeth — The international pool-table is in the Dundee Line Hotel. The owner of the hotel pays business taxes on the bar on the Quebec side and school taxes in both communities. The only products he sells in New York are American cigarettes from a vending-machine.







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